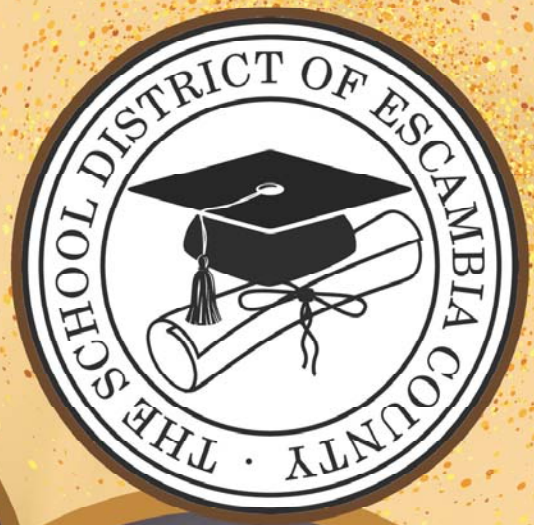




# COMPREHENSIVE ANNUAL FINANCIAL REPORT

**ESCAMBIA COUNTY SCHOOL DISTRICT  
PENSACOLA, FL**

**FISCAL YEAR ENDED JUNE 30, 2020**



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District School Board  
Of Escambia County  
Pensacola, Florida

Comprehensive Annual  
Financial Report

For The  
Fiscal Year  
Ended June 30, 2020



Prepared By:  
Finance Department



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# **DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**

## **Comprehensive Annual Financial Report**

**For the Fiscal Year Ended June 30, 2020**

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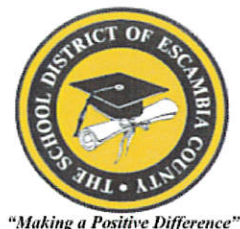
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# INTRODUCTORY SECTION



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**THE SCHOOL DISTRICT OF ESCAMBIA COUNTY**  
75 NORTH PACE BOULEVARD  
PENSACOLA, FL 32505  
PH (850)432-6121 FX (850)469-6379  
<http://escambiaschools.org>  
**TIMOTHY A. SMITH, Ed.D., SUPERINTENDENT**

December 15, 2020

To the Honorable Members of the District School Board of Escambia County  
and the Citizens of Escambia County, Florida

State law requires that all local governments publish, after the close of each fiscal year, a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP), and audited in accordance with auditing standards generally accepted in the United States of America. Pursuant to this requirement, we hereby issue the comprehensive annual financial report (CAFR) of the District School Board of Escambia County, Florida (District) for the fiscal year ended June 30, 2020.

This report consists of management's representations concerning the finances of the District. Management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been independently audited by the Florida Auditor General. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2020, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's basic financial statements for the fiscal year ended June 30, 2020, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and the United States Office of Management and Budget (OMB) Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. The standards governing Single Audit engagements

require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. A separate report related to this single audit, including the schedule of expenditures of federal awards, findings and questioned costs, and independent auditor's report on the system of internal control and on compliance with applicable requirements, are included in the Single Audit Section.

This report includes all funds of the District, The Escambia County Public Schools Foundation for Excellence, Inc. (the Foundation), and charter schools, which comprise the reporting entity. The Foundation is a separate not-for-profit corporation organized and operated as a direct-support organization. The Foundation's purpose is exclusively educational and charitable for the constituents of Escambia County. Charter schools are public schools operating under performance contracts with the District's governing board (Board). The Foundation and the applicable charter schools are included as discretely presented component units in the accompanying financial statements.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The District's MD&A immediately follows the independent auditor's report.

## **PROFILE OF THE DISTRICT**

The District and its Board were created pursuant to Article IX, Section 4 of the Constitution of the State of Florida. The District is an independent taxing and reporting entity managed, controlled, operated, administered, and supervised by the District school officials in accordance with Chapter 1001, Florida Statutes. The Board consists of five elected officials responsible for the adoption of policies, which govern the operation of District public schools. The elected Superintendent of Schools (Superintendent) is the executive officer of the Board and is responsible for the administration and management of the schools within the applicable parameters of Florida Statutes, State Board of Education (SBE) Rules, and Board policies. The Superintendent is also specifically delegated the responsibility of maintaining a uniform system of financial records and accounts for the District by SBE Rule 6A-1.001, Florida Administrative Code.

The geographic boundaries of the District are those of Escambia County. During the 2019-20 fiscal year, the District operated 61 schools, special centers, and other programs, including 32 elementary schools, 9 middle schools, 7 high schools, 3 special centers, and 10 other programs. These totals include two new schools that were opened for the 2018-19 fiscal year – an elementary school and a middle school. The District also has 5 charter schools that are component units of the District. In addition, the District provides on-line learning opportunities through its virtual education offerings.

District school facilities vary greatly in age. Year of occupancy for elementary schools range from the year 1936 to 2018; middle schools range from 1953 to 2018; and high school facilities range from 1949 to 1993.

The District receives the majority of its operating funds through the Florida Education Finance Program (FEFP), the state funding formula based on student membership and attendance. The state legislature sets the FEFP per pupil funding each legislative session and is funded according to a combination of state and local revenue. The local portion is made up of a Required Local Effort (RLE) millage rate applied to the county certified tax roll. The RLE for the 2019-20 fiscal year is 3.944 mills. In addition, a local operating discretionary millage rate (0.748 mills) is also levied by the District in order to receive the full amount of the available state portion.

The FEFP is made up of various components, including categorical earmarks, that insures both local flexibility of funds and adherence to legislative educational programs. The FEFP formula is also designed to equalize funding across the various school districts. In addition to funding traditional public schools, charter schools, operating through a contract with the District, are provided with their proportionate share of FEFP funds according to the number of full-time equivalent students so enrolled.

The District's general fund financial condition ratio at June 30, 2020, was 9.1 percent, well above the minimum statutory requirement of 3 percent (local board requirement is 3.5 percent). The financial condition ratio is calculated by dividing the combined assigned and unassigned fund balance by total general fund revenue. The financial condition ratio is an indication of the district's level of liquidity and excess operating reserves.

During the 2019-20 fiscal year, the District provided general, special, vocational, and other education programs to 39,643 unweighted full-time equivalent students (UFTE), an increase of 23 UFTE over the prior fiscal year (39,620). Based on forecasting models, the District projects its 2020-21 student membership to further increase in number to 39,828 UFTE which represents an increase of 185 UFTE from the 2019-20 fiscal year. However, these projections will be materially affected due to the effects of coronavirus.

## **CORONAVIRUS PANDEMIC**

Due to the coronavirus pandemic, the District was directed by the Governor to close schools to physical attendance and provide access to remote off-site instruction along with all other Florida school districts. The remote learning requirement began in March 2020 and continued through the remainder of the school year. The District is making plans to address the 2020-21 school year and the safe reopening of schools by adjusting its learning options to include (1) traditional, on-site attendance, (2) remote learning by joining the physical classroom via Chromebook or similar device, and (3) Escambia Virtual Academy. However, it is expected that a large number of students will opt out of Escambia schools for alternative options such as home school instruction, private schools, or virtual platforms not sponsored by the District.

## **ECONOMIC CONDITION AND OUTLOOK**

Escambia County, located in the northwestern part of the State, was established July 21, 1821, as a non-charter government when the Provisional Governor Andrew Jackson signed an ordinance making the County one of the first two counties in Florida, the other being St. John's County.

There are two municipalities within the County, the City of Pensacola, which is the County seat, and the Town of Century.

Escambia County encompasses approximately 661 square miles, or 420,480 acres, with an additional 64,000 acres of water area and serves a population of approximately 321,134. The population has increased by approximately 22,020 or 7.4 percent over the last 10 years (299,114). The statewide increase during that period has been approximately 14.2 percent. The Escambia county unemployment rate has increased from 3.3 percent a year ago to 9.2 percent in June 2020. The increase is directly related to the coronavirus pandemic and the impact on businesses.

Local sales tax revenues continue to increase on a yearly basis. Current year receipts totaled \$28.3 million which was a slight increase over the 2018-19 fiscal year (\$28.2 million). However, due to the coronavirus mandated economic shutdown (beginning in March 2020) the final two monthly receipts decreased \$414,782 and \$480,394, respectively, over the same prior fiscal year period (sales tax disbursements to the District lag collections by approximately two months).

Per pupil funding for the Escambia County School District was \$7,547 per UFTE, an increase of 3.6 percent over the 2018-19 fiscal year (\$7,285). The funding formula is made up of both State and local revenue as required by the FEFP. The FEFP is composed of several funding components including local ad valorem taxes and State categorical programs. School taxable property values in Escambia County grew 6.0 percent over the same period and generate both operating and capital outlay revenue according to millage rate set by the State (required local effort) and the local school board (discretionary millage).

The total fund balance of the District's General Fund increased by \$1,714,608 from the 2018-19 fiscal year mainly due to a surplus of unspent restricted funds. Assigned and unassigned fund balance (unrestricted funds) decreased by \$1,067,349. Due to the coronavirus shutdown of the physical schools, certain programs and purchases were discontinued or postponed. Consequently, those categorical and restricted funds, which supported such programs, went unspent and resulted in an unplanned increase in restricted fund balance at year end.

## **MAJOR INITIATIVES**

### **Capital Outlay Funds**

Section 212.055(6), Florida Statutes, authorizes local school boards the ability to levy a one-half cent School Capital Outlay Sales Surtax. Accordingly, the Escambia County School District has successfully placed a referendum on the ballot four separate times beginning with two five-year levies starting in January 1998 and renewed through December 2007, and two ten-year levies starting in January 2008 and renewed through the current referendum ending in December 2027.

In January 2016, the District issued Series 2016 Sales Tax Revenue Bonds to build a new middle school. This was the first use of debt financing serviced by sales tax proceeds. All previous school and other remodel/renovation construction projects had been completed on a cash pay-as-you-go basis. The bond will be paid off at the end of the current ten-year levy (December 2027). However, the District is planning to issue additional debt early in the 2020-21 fiscal year for the construction/rebuild of a new Pleasant Grove Elementary School. The financing structure was in progress at June 30, 2020, and will be issued as Series 2020A Certificates of Participation. The

debt will be serviced with a combination of capital outlay and valorem taxes levied against the certified property tax roll and local sales tax proceeds from the current referendum. The debt on this issue will also be paid by the end of the 10-year sales tax referendum on December 31, 2027.

### **Federal CARES Act Funds**

The Coronavirus Aid, Relief, and Economic Security (CARES) Act provides four education funding categories the largest of which is the Education and Secondary School Emergency Relief (ESSER) Fund. The ESSER award for the Escambia County School District is \$12.3 million. The purpose of ESSER is to address the impact that the Novel Coronavirus Disease – 19 (COVID – 19) has had, and continues to have, on elementary and secondary schools. The funds are available to develop and implement plans for delivering educational services in traditional and remote settings which require appropriate staff development for on-line delivery, related infrastructure, training, sanitation supplies and equipment, personal protective equipment, nursing resources, and other related categories. The grant period runs from June 2020 through September 2022 with a lookback period to mid-March 2020.

## **FINANCIAL INFORMATION**

**Internal Controls** Management of the District is responsible for establishing and maintaining internal controls designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

**Budgetary Controls** The District maintains budgetary controls, the objective of which is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board. Activities of all governmental fund types are included in the annual appropriated budget. The level of budgetary control (that is the level at which expenditures cannot exceed the appropriated amount) is established at the object level.

Budgetary information is integrated into the accounting system and, to facilitate budgetary control, budget balances are encumbered when purchase orders are issued. Appropriations lapse at fiscal year-end and encumbrances outstanding are honored from the subsequent fiscal year's appropriations. In order to provide budgetary control for salaries, the District utilizes a centralized position control system. On an annual basis, the Board adopts a District staffing plan that establishes teacher positions based generally on student populations served. Additionally, support and administrative positions are created based on established criteria.

## **LONG-TERM FINANCIAL PLANNING**

**General Operating** The District's financial objectives for general operating revenue may be summarized as follows: (1) provide for adequate classroom resources and operational support to accomplish curriculum and instructional goals, (2) provide for competitive salary and benefits

program for all employees, and (3) maintain adequate fund balance consistent with School Board policy.

## AWARDS AND ACKNOWLEDGMENTS

The District's CAFR for the fiscal year ended June 30, 2019, received the following awards:

- The Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA).
- The Certificate of Excellence in Financial Reporting from the Association of School Business Officials (ASBO).

This was the twelfth consecutive year that the District's CAFR has been so recognized and demonstrates the District's commitment to transparency for the benefit of the taxpayers of Escambia County. The District will also submit the current 2019-20 CAFR for such consideration.

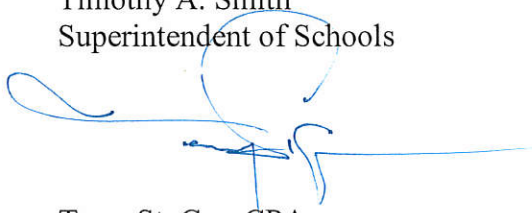
The timely preparation of this report was made possible by the dedicated service of the entire staff of the Finance and Business Services department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

In closing, we would like to thank the members of the School Board for their leadership and support in planning and conducting the financial operations of the District.

Respectfully submitted,



Timothy A. Smith  
Superintendent of Schools



Terry St. Cyr, CPA  
Assistant Superintendent - Finance and Business Services



Debbie Fussell, CPA  
Director - Accounting Operations



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# District School Board of Escambia County, Florida

## School Board Members and Superintendent (Elected for a four-year term)



District 1  
Kevin Adams  
4 years  
November 2022



District 2  
Paul H. Fetsko  
2 years  
November 2022



District 3  
Dr. Laura Edler  
2 years  
November 2022



District 4  
Patty Hightower  
16 years  
Chairman  
November 2020



District 5  
Bill Slayton  
12 years  
Vice Chairman  
November 2020



Superintendent  
Malcolm Thomas  
12 years  
November 2020

# **DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**

## **PRINCIPAL OFFICIALS**

Norm Ross

Deputy Superintendent

Shawn Dennis

Assistant Superintendent  
Operations

Steve Marcanio

Assistant Superintendent  
Curriculum and Instruction

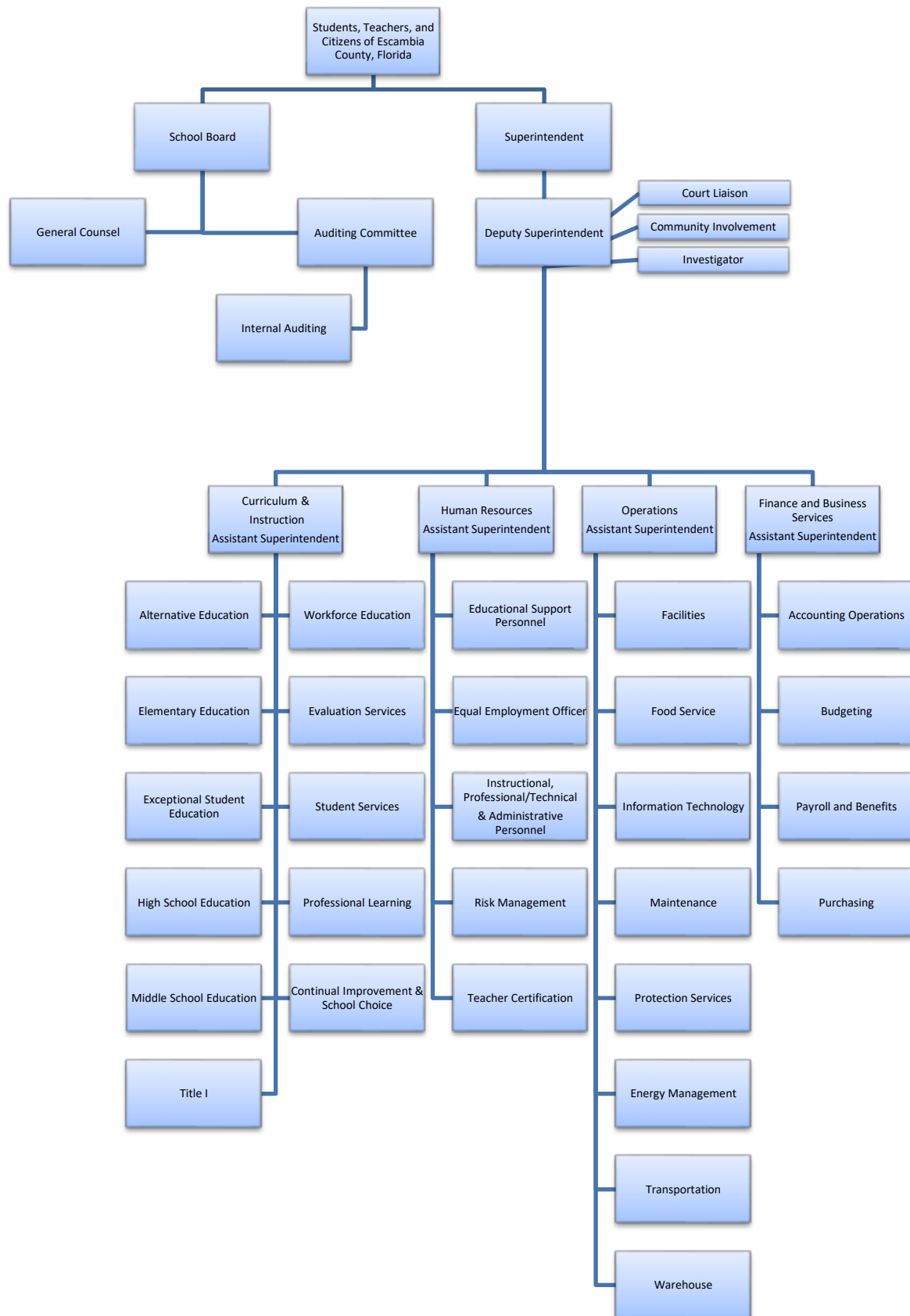
Terry St. Cyr

Assistant Superintendent  
Finance and Business Services

Keith Leonard

Assistant Superintendent  
Human Resources

# District School Board of Escambia County, Florida Organizational Chart





ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting  
is presented to**

**District School Board of  
Escambia County, Florida**

**for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2019.**

The CAFR meets the criteria established for  
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'Claire Hertz'.

**Claire Hertz, SFO**  
President

A handwritten signature in black ink, reading 'David J. Lewis'.

**David J. Lewis**  
Executive Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**District School Board of Escambia County  
Florida**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morill*

Executive Director/CEO

# FINANCIAL SECTION



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Sherrill F. Norman, CPA  
Auditor General

# AUDITOR GENERAL STATE OF FLORIDA

Claude Denson Pepper Building, Suite G74  
111 West Madison Street  
Tallahassee, Florida 32399-1450



Phone: (850) 412-2722  
Fax: (850) 488-6975

The President of the Senate, the Speaker of the  
House of Representatives, and the  
Legislative Auditing Committee

## INDEPENDENT AUDITOR'S REPORT

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Escambia County District School Board, as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the employee benefit trust fund, a blended component unit, which represents 32, 19, 63, and 52 percent, respectively, of the assets, liabilities, revenues, and expenses of the aggregate remaining fund information. In addition, we did not audit the financial statements of the aggregate discretely presented component units, which represents 100 percent of the transactions and account balances of the aggregate discretely presented component units columns. The financial statements of the employee benefit trust fund and the aggregate discretely presented component units were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for those financial statements, are based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Escambia County District School Board, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparisons for the general fund and major special revenue fund for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that **Management's Discussion and Analysis, Schedule of Changes in the District's Total OPEB Liability and Related Ratios, Notes to Required Supplementary Information, Schedule of the District's Proportionate Share of the Net Pension Liability – Florida Retirement System Pension Plan, Schedule of District Contributions – Florida Retirement System Pension Plan, Schedule of the District's Proportionate Share of the Net Pension Liability – Health Insurance Subsidy Pension Plan, and Schedule of District Contributions – Health Insurance Subsidy Pension Plan**, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Supplementary and Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements

and schedules and the introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Also, the accompanying **SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules and the accompanying **SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS** are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the combining and individual fund financial statements and schedules, and the accompanying **SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**, are fairly stated in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

#### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2020, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements and other matters included under the heading **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Respectfully submitted,



Sherrill F. Norman, CPA  
Tallahassee, Florida  
December 14, 2020  
Audit Report No. 2021-079



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## MANAGEMENT'S DISCUSSION AND ANALYSIS

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The management of the District School Board of Escambia County, Florida (District) has prepared the following discussion and analysis to provide an overview of the District's financial activities for the fiscal year ended June 30, 2020. The information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events, and conditions and should be considered in conjunction with the District's financial statements and notes to financial statements found immediately following the MD&A.

### FINANCIAL HIGHLIGHTS

Key financial highlights for the 2019-20 fiscal year are as follows:

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows at June 30, 2020, by \$281.3 million (net position).
- The District's total net position decreased by \$3.1 million from the prior fiscal year (\$284.4 million). The decrease in net position is primarily due to planned increases in salary and benefits costs that were negotiated and paid during the 2019-20 fiscal year. These costs exceeded the amount of available new revenue and relied on general fund reserves for a portion of the salary related increase.
- At June 30, 2020, the combined assigned and unassigned fund balance for the General Fund was \$28.5 million, or 9.1 percent (Financial Condition Ratio) of total General Fund revenues. These totals represent decreases of \$1.1 million and 0.6 percent, respectively from the prior fiscal year.
- The District's total long-term debt (Bonds Payable and Certificates of Participation) was \$55.3 million, a decrease of \$9.5 million from the prior fiscal year (\$64.8 million) due to the reduction of principal via normal debt service requirements.

### OVERVIEW OF FINANCIAL STATEMENTS

The basic financial statements consist of three components:

- Government-wide financial statements.
- Fund financial statements.
- Notes to financial statements.

This report also includes supplementary information intended to furnish additional details to support the basic financial statements.

#### **Government-wide Financial Statements**

The government-wide financial statements provide both short-term and long-term information about the District's overall financial condition in a manner similar to those of a private-sector business. The statements include a statement of net position and a statement of activities that are designed to provide consolidated

financial information about the governmental activities of the District presented on the accrual basis of accounting. The statement of net position provides information about the District's financial position, its assets, liabilities, and deferred outflows/inflows of resources, using an economic resources measurement focus. Assets plus deferred outflows of resources, less liabilities and deferred inflows of resources, equals net position, which is a measure of the District's financial health. The statement of activities presents information about the change in the District's net position, the results of operations, during the fiscal year. An increase or decrease in net position is an indication of whether the District's financial health is improving or deteriorating.

All of the District's activities and services are reported in the government-wide financial statements as governmental activities. The District's governmental activities include instruction, student support services, instructional support services, administrative support services, facility maintenance, transportation, and food services. Property taxes and State revenues finance most of these activities. Additionally, all capital and debt financing activities are reported as governmental activities.

The government-wide statements present the District's activities in two categories:

- Governmental activities – This represents most of the District's services, including its educational programs: basic, vocational, adult, and exceptional education. Support functions such as transportation and administration are also included. Local property taxes and the State's education finance program provide most of the resources that support these activities.
- Component units – The District presents aggregate financial information for the following six separate legal entities in this report: Capstone Academy Pensacola, Jacqueline Harris Preparatory Academy, Beulah Academy of Science, Inc., Byrneville Elementary School Inc., Pensacola Beach Elementary School, Inc., and the Escambia County Public Schools Foundation For Excellence, Inc.

Each school is considered to be a component unit of the District due to the following criteria:

1. The District is financially accountable for each school.
2. Each school was established based on school board approval of the charter (which is tantamount to the initial appointment of the charter schools).
3. There is potential for each charter school to impose specific financial burdens on the District.

In addition, pursuant to the Florida Constitution, the charter schools are public schools and the District is responsible for the operation, control, and supervision of public schools within the District. Financial information for these component units is reported separately from the financial information presented for the primary government.

Blended Component Unit - The Escambia School District Employee Benefit Trust (Trust) was established to administer the District's employee life, health, and dental insurance programs. All activities of the Trust are solely for the benefit of the District and its employees. Therefore, the

financial activities of the Trust have been included (blended) as an integral part of the primary government.

## **Fund Financial Statements**

Fund financial statements are one of the components of the basic financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and prudent fiscal management. Certain funds are established by law while others are created by legal agreements, such as bond covenants. Fund financial statements provide more detailed information about the District's financial activities, focusing on its most significant or "major" funds rather than fund types. This is in contrast to the entity wide perspective contained in the government-wide statements. All of the District's funds may be classified within one of the broad categories discussed below.

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, the governmental funds utilize a financial resources measurement focus rather than the economic resources measurement focus found in the government-wide financial statements. The financial resources measurement focus allows the governmental fund financial statements to provide information on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing the District's near-term financing arrangements.

The governmental fund statements provide a detailed, short-term view that may be used to evaluate the District's near-term financing requirements. This short-term view is useful when compared to the long-term view presented as governmental activities in the government-wide financial statements. To facilitate this comparison, both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation of governmental funds to governmental activities.

The governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances provide detailed information about the District's most significant funds. The District's major funds are the General Fund, Special Revenue – Other Federal Programs Fund, Capital Projects – Local Capital Improvement Fund, and the Capital Projects – Other Fund. Data from the other governmental funds are combined into a single, aggregated presentation.

The District adopts an annual appropriated budget for its governmental funds. Budgetary comparison statements have been provided for the General Fund and the Special Revenue – Other Federal Programs Fund to demonstrate compliance with the budget.

**Proprietary Funds.** Proprietary funds, including internal service funds, may be established to account for activities in which a fee is charged for services. Internal service funds are used to report activities that provide goods and services to support the District's other programs and functions through user charges. The

District uses the internal service funds to account for risk management and employee benefits activities. Since these services predominantly benefit governmental rather than business-type functions, the internal service funds have been included within governmental activities in the government-wide financial statements.

The internal service funds are combined into a single, aggregated column in the proprietary fund financial statements.

**Fiduciary Funds.** Fiduciary funds are used to report assets held in a trustee or fiduciary capacity for the benefit of external parties, such as student activity funds. Fiduciary funds are not reflected in the government-wide financial statements because the resources are not available to support the District's own programs. In its fiduciary capacity, the District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes. The District uses agency funds to account for resources held for student activities and groups and to account for the resources of the District's pre-tax flexible benefits plan.

### **Notes to Financial Statements**

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the District's progress in funding its obligation to provide other postemployment benefits to its employees and required supplementary information concerning the District's liability and required contributions to the state retirement system.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position over time may serve as a useful indicator of a government's financial health. The following is a summary of the District's net position as of June 30, 2020, compared to net position as of June 30, 2019:

|                                                                          | <b>Net Position, End of Year</b> |                       |
|--------------------------------------------------------------------------|----------------------------------|-----------------------|
|                                                                          | Governmental                     |                       |
|                                                                          | Activities                       |                       |
|                                                                          | 6/30/20                          | 6/30/19               |
| Current Assets                                                           | \$ 198,418,587                   | \$ 205,357,796        |
| Capital Assets                                                           | 407,298,139                      | 399,049,473           |
| <b>Total Assets</b>                                                      | <b>605,716,726</b>               | <b>604,407,269</b>    |
| <b>Deferred Outflow of Resources</b>                                     | <b>79,509,435</b>                | <b>86,051,350</b>     |
| <b>Total Assets and Deferred Outflow of Resources</b>                    | <b>\$ 685,226,161</b>            | <b>\$ 690,458,619</b> |
| Long-Term Liabilities                                                    | \$ 359,710,103                   | \$ 352,388,174        |
| Other Liabilities                                                        | 15,354,859                       | 21,141,734            |
| <b>Total Liabilities</b>                                                 | <b>375,064,962</b>               | <b>373,529,908</b>    |
| <b>Deferred Inflow of Resources</b>                                      | <b>28,879,047</b>                | <b>32,525,197</b>     |
| Net Position:                                                            |                                  |                       |
| Net Investment in Capital Assets                                         | 353,513,610                      | 343,230,615           |
| Restricted                                                               | 107,245,269                      | 115,734,971           |
| Unrestricted (Deficit)                                                   | (179,476,727)                    | (174,562,072)         |
| <b>Total Net Position</b>                                                | <b>281,282,152</b>               | <b>284,403,514</b>    |
| <b>Total Liabilities, Deferred Inflow of Resources, and Net Position</b> | <b>\$ 685,226,161</b>            | <b>\$ 690,458,619</b> |

The largest portion of the District's net position, \$353.5 million, is its net investment in capital assets (e.g., land, construction in progress, buildings, improvements, equipment, motor vehicles, computer software, and audio visual materials), less any related debt still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, the resources used to repay the debt must be provided from other sources since the capital assets cannot be used to liquidate these liabilities.

The restricted portion of the District's net position, \$107.2 million, represents resources that are subject to external restrictions on how they may be used. The deficit unrestricted net position of \$179.5 million was mainly due to the accrual of net pension liability totaling \$223.8 million. The District reported net pension liability according to the requirements of GASB Statement No. 68 – *Accounting and Reporting for Pensions*.

The key elements of the changes in the District's net position for the fiscal years ended June 30, 2020, and June 30, 2019, are as follows:

| <b>Operating Results for the Year</b>                           |                            |                       |
|-----------------------------------------------------------------|----------------------------|-----------------------|
|                                                                 | Governmental<br>Activities |                       |
|                                                                 | 6/30/20                    | 6/30/19               |
| Program Revenues:                                               |                            |                       |
| Charges for Services                                            | \$ 3,618,231               | \$ 4,359,715          |
| Operating Grants and Contributions                              | 17,136,341                 | 19,554,877            |
| Capital Grants and Contributions                                | 1,662,132                  | 2,938,854             |
| General Revenues:                                               |                            |                       |
| Property Taxes, Levied for Operational Purposes                 | 93,739,773                 | 92,400,716            |
| Property Taxes, Levied for Capital Projects                     | 26,719,561                 | 25,713,431            |
| Local Sales Taxes                                               | 28,259,025                 | 28,220,187            |
| Grants and Contributions Not Restricted<br>to Specific Programs | 248,290,407                | 240,182,926           |
| Unrestricted Investment Earnings                                | 2,072,953                  | 3,088,594             |
| Miscellaneous                                                   | 3,446,948                  | 5,310,353             |
| <b>Total Revenues</b>                                           | <b>424,945,371</b>         | <b>421,769,653</b>    |
| Functions/Program Expenses:                                     |                            |                       |
| Instruction                                                     | 228,520,682                | 216,558,696           |
| Student Support Services                                        | 19,431,978                 | 18,032,843            |
| Instructional Media Services                                    | 4,911,047                  | 4,492,359             |
| Instruction and Curriculum Development Services                 | 15,391,672                 | 13,268,349            |
| Instructional Staff Training Services                           | 8,215,793                  | 8,812,216             |
| Instruction-Related Technology                                  | 4,797,813                  | 4,620,929             |
| Board                                                           | 1,280,383                  | 7,528,891             |
| General Administration                                          | 2,330,171                  | 2,208,824             |
| School Administration                                           | 18,725,797                 | 17,121,281            |
| Facility Acquisition and Construction                           | 27,470,222                 | 31,638,107            |
| Fiscal Services                                                 | 2,571,315                  | 2,332,863             |
| Food Services                                                   | 19,945,691                 | 21,462,250            |
| Central Services                                                | 7,089,056                  | 6,829,979             |
| Student Transportation Services                                 | 21,056,289                 | 21,859,505            |
| Operation of Plant                                              | 27,520,790                 | 26,987,310            |
| Maintenance of Plant                                            | 11,974,205                 | 12,187,824            |
| Administrative Technology Services                              | 4,083,262                  | 3,511,314             |
| Community Services                                              | 1,704,625                  | 1,295,433             |
| Unallocated Interest on Long-Term Debt                          | 1,045,942                  | 1,430,676             |
| <b>Total Functions/Program Expenses</b>                         | <b>428,066,733</b>         | <b>422,179,649</b>    |
| <b>Increase (Decrease) in Net Position</b>                      | <b>(3,121,362)</b>         | <b>(409,996)</b>      |
| <b>Beginning Net Position</b>                                   | <b>284,403,514</b>         | <b>284,813,510</b>    |
| <b>Ending Net Position</b>                                      | <b>\$ 281,282,152</b>      | <b>\$ 284,403,514</b> |

Governmental Activities decreased the District's net position by \$3.1 million.

## FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

### Major Governmental Funds

**General Fund.** The General Fund is the District's chief operating fund. Total fund balance was \$45.8 million at June 30, 2020, an increase of \$1.7 million over the prior fiscal year. The components of fund balance based on Government Accounting Standards Board (GASB) Statement No. 54 were as follows in comparison to the 2018-19 fiscal year:

| Fund Balance Component | 6/30/2020            | 6/30/2019            | Change              |
|------------------------|----------------------|----------------------|---------------------|
| Nonspendable           | \$ 1,957,133         | \$ 1,548,283         | \$ 408,850          |
| Restricted             | 15,327,201           | 12,954,094           | 2,373,107           |
| Assigned               | 22,296,996           | 23,493,626           | (1,196,630)         |
| Unassigned             | 6,248,556            | 6,119,275            | 129,281             |
| Total Fund Balance     | <u>\$ 45,829,886</u> | <u>\$ 44,115,278</u> | <u>\$ 1,714,608</u> |

The assigned and unassigned fund balance at June 30, 2020, is \$28.5 million (a decrease of \$1.1 million), while the nonspendable and restricted portion totaled \$17.3 million (an increase of \$2.8 million). Total fund balance is \$45.8 million (an increase of \$1.7 million). Key fund balance performance indicators are as follows:

- Due to the Coronavirus pandemic, schools were ordered to provide remote instruction to students in lieu of physical attendance late in the fiscal year. Schools were closed to students and staff for on-site instruction beginning in March 2020 and continued through the end of the school year. Consequently, the District saved General Fund operating expenses related to utilities, student transportation, extra pay and overtime for staff, and other related expenditures. Other qualified expenditures related to the pandemic were charged to the CARES Act Federal funds (addressed in "Economic Factors" below).
- However, restricted FEFP categorical balances increased significantly at June 30, 2020. Due to the shutdown of on-site instruction, certain programs associated with these categorical funds, such as addressing turnaround schools and student mental health, were unable to continue. In addition, related instructional materials remained unpurchased.
- Salary increases were negotiated and paid to eligible employees. In an effort to increase the wages of all employee groups, the District utilized a combination of recurring revenue and a level of fund balance reserves. These salary increases were designed to provide general salary improvements on a percentage basis and a step up on the experience level of the various salary schedules for those eligible.

**Special Revenue – Other Federal Programs Fund.** The Special Revenue – Other Federal Programs Fund had revenues and expenditures of \$33.7 million each. This is an increase over the prior fiscal year of \$2.1

million due mainly to increased Special Education grant expenditures and Title I grants to schools in need of improvement as identified by the Florida Department of Education. Funds are typically recorded as revenue when expended.

**Capital Projects – Local Capital Improvement Fund.** The Capital Projects – Local Capital Improvement Fund accounts for the revenue and expenditures associated with the District’s ad valorem tax receipts generated through the discretionary capital outlay millage. The District is authorized to levy up to 1.5 mills for capital projects such as construction, technology, school bus purchases, and repair and maintenance of facilities. Other uses include, if eligible, payment of property and casualty insurance and debt service requirements. At June 30, 2020, the fund balance totals \$8.2 million and is restricted for eligible capital outlay purposes.

**Capital Projects – Other Fund.** The Capital Projects – Other Fund has a fund balance of \$63.7 million for the 2019-20 fiscal year. The fund balance decreased from the prior year by \$5.7 million due to ongoing construction programs at the various school sites.

The original net proceeds of the Series 2016, Sales Tax Revenue Bonds totaled \$60 million and has a remaining balance of \$44.1 million at June 30, 2020 (a decrease of \$4.7 million during the 2019-20 fiscal year).

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

Actual revenues were more than final budgeted revenues by \$747 thousand, most of which (\$737 thousand) was from federal through state and local sources.

Actual expenditures were \$16.7 million less than final budgeted expenditures. The instruction function accounted for \$7.3 million of this variance primarily due to the lack of qualified candidates to fill certain classroom teaching vacancies. Some of these vacant positions were staffed with substitute teachers and some remained unfilled. In addition, during the March through June coronavirus shutdown of on-campus instruction, extra-pay opportunities and other instructional related expenditures were avoided.

Furthermore, operational expenditures such as student transportation and operation of plant costs were under budget by \$1.9 million and \$1.2 million, respectively, due to reduced diesel, electrical, and other utility usage. However, offsetting some of the cost savings was the District’s inability to transfer in other financing sources from capital outlay funds to cover eligible maintenance salaries and benefits. General Fund maintenance salary costs (function 8100) become eligible for capital outlay transfers when identified for specific capital maintenance projects via the work order system. Transfers in from capital funds were \$889 thousand short of budgeted amounts.

## **CAPITAL ASSETS AND LONG-TERM DEBT**

### **Capital Assets**

The District's investment in capital assets for its governmental activities as of June 30, 2020, amounts to \$407.3 million (net of accumulated depreciation). This investment in capital assets includes land; construction in progress; improvements other than buildings; buildings and fixed equipment; furniture, fixtures, and equipment; motor vehicles; and audio visual materials and computer software. The District's investment in capital assets (net of accumulated depreciation) for the current fiscal year increased \$8.3 million (approximately 2 percent).

Major construction projects initiated, continued, or completed during the current fiscal year included the following:

- Pleasant Grove Elementary School – New Construction
- Pensacola High School – Bus Ramp and Tennis Courts
- Escambia Westgate – Adaptable Play Facility
- Lingleaf Elementary School – Covered Play Area
- Beulah Elementary School – Covered Play Area
- Pine Meadow Elementary School – Covered Play Area
- West Florida High School (Conversion from Middle School Facility)
- Tate High School – Agriscience Building
- Brown Barge Middle School – Gymnasium and track facility

Additional information on the District's capital assets can be found in Notes 5 and 12 to the financial statements.

### **Long-Term Debt**

At June 30, 2020, the District has total long-term debt outstanding of \$55.3 million. The District has \$1.3 million outstanding of State School Bonds issued by the State Board of Education (SBE) and backed by the full faith and credit of the State of Florida. Certificates of Participation outstanding total \$9.9 million and the remainder of the long-term debt is made up of Sales Tax Revenue Bonds, Series 2016, which have an outstanding balance of \$44.1 million at June 30, 2020.

Additional information on the District's long-term debt can be found in Notes 7 through 9 to the financial statements.

## CONSIDERATION OF ECONOMIC FACTORS IN BUDGETARY PLANNING

Factors considered in preparing the District budget for the 2020-21 fiscal year:

**Student Enrollment** - The District receives the majority of its general operating funds through the Florida Education Finance Program (FEFP). The funds are based on the number of full-time equivalent (FTE) students and is a combination of state and local revenue. Key issues related to the proposed 2020-21 FEFP funding formula over the current 2019-20 fiscal year include:

- The District projects an increase of 199 unweighted FTE students to begin the new fiscal year (Fourth FEFP Calculation 2019-20 v. Second FEFP Calculation 2020-21).
- FEFP formula funds will increase \$93 per unweighted FTE over the 2019-20 fiscal year (1.25 percent).
- Total increase in formula funds will be approximately \$5.2 million over the prior year.
- Two major changes in funding involved categorical programs which are earmarked for specific uses:
  - Best and Brightest Allocation was eliminated (\$3.8 million for teacher bonus program).
  - Teacher Salary Increase Allocation was introduced - \$6.7 million to address classroom teacher beginning salaries (80 percent) and other general instruction salaries (20 percent).

**General Fund** - The District will budget approximately \$2.5 million of total fund balance (based on Tentative Budget) to cover planned expenditures during the 2020-21 fiscal year. Any unspent appropriations and/or revenue receipts in excess of budgeted amounts will be used to replenish the unassigned fund balance accordingly.

**Coronavirus Pandemic** - The District will plan for major increases in certain operating expenditures to protect students and staff against the risk and effects of Coronavirus. The District will adhere to all safety protocol and recommendations of the Florida Department of Health in compliance with the Governor's order to return to school. The District will offer a remote learning option in addition to its traditional on-site attendance and virtual school opportunities. Remote learning will require increased teacher training for consistent and effective delivery through new and expanded technology.

As a part of the Governor's return-to-school plan, the results of the October 2020 student attendance and membership survey will be held harmless and will not affect FEFP funding through the third FEFP calculation. Districts will continue to receive FEFP revenue at their originally projected levels. However, the results of the February 2021 survey were not addressed in the Governor's order. Consequently, certain staffing and other decisions will be determined accordingly in anticipation of the fourth FEFP calculation in April 2021. In order to provide relief for school district revenue shortfalls and coronavirus related expenditures, the District has been approved for Federal funds via the Coronavirus, Aid, Relief, and Economic Security (CARES) Act:

- CARES Act – Elementary and Secondary School Emergency Relief Fund (ESSER) – The District was awarded \$12.3 million in Federal funds via the CARES Act to assist in the Coronavirus relief

effort. The funds are available for teacher training, protective equipment, substitute teachers, sanitation, continued employment of staff (otherwise at risk of layoff due to State revenue shortfalls), and other eligible uses. These funds will provide support to general fund operations and help maintain the District's financial condition in spite of the emergency spending and extraordinary level of preparation to start and maintain safe student instruction. These funds are available through September 2022.

- CARES Act – Governor's Emergency Education Relief Fund (GEERS) – Provides summer recovery learning opportunities for students adversely affected by school closures during the spring of 2020. These funds are designed to help students in grades K – 5. These funds are available from July through October 2020.

### **REQUESTS FOR INFORMATION**

Questions concerning information provided in the MD&A, and financial statements and notes thereto, or requests for additional financial information should be addressed to the Assistant Superintendent - Finance and Business Services, District School Board of Escambia County, 75 North Pace Boulevard, Pensacola, Florida 32505.



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# BASIC FINANCIAL STATEMENTS



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**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

|                                                                           | <b><u>Primary<br/>Government<br/>Governmental<br/>Activities</u></b> | <b><u>Component<br/>Units</u></b> |
|---------------------------------------------------------------------------|----------------------------------------------------------------------|-----------------------------------|
| <b>ASSETS</b>                                                             |                                                                      |                                   |
| Cash and Cash Equivalents                                                 | \$ 103,379,668                                                       | \$ 4,225,529                      |
| Investments                                                               | 82,525,244                                                           | -                                 |
| Accounts Receivable                                                       | 548,051                                                              | 588,466                           |
| Deposits Receivable                                                       | 2,000                                                                | -                                 |
| Prepaid Items                                                             | -                                                                    | 24,585                            |
| Due from Other Agencies                                                   | 7,406,039                                                            | 88,935                            |
| Inventories                                                               | 4,557,585                                                            | -                                 |
| Capital Assets:                                                           |                                                                      |                                   |
| Non-Depreciable Capital Assets                                            | 33,847,957                                                           | 1,075,254                         |
| Depreciable Capital Assets, Net                                           | <u>373,450,182</u>                                                   | <u>6,850,131</u>                  |
| Total Assets                                                              | <u>605,716,726</u>                                                   | <u>12,852,900</u>                 |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                                     |                                                                      |                                   |
| Deferred Outflows Related to Pensions                                     | 76,374,684                                                           | 482,885                           |
| Deferred Outflows Related to Other Postemployment Benefits                | <u>3,134,751</u>                                                     | <u>-</u>                          |
| Total Deferred Outflows of Resources                                      | <u>79,509,435</u>                                                    | <u>482,885</u>                    |
| <b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>                    | <b><u>\$ 685,226,161</u></b>                                         | <b><u>\$ 13,335,785</u></b>       |
| <b>LIABILITIES</b>                                                        |                                                                      |                                   |
| Salaries and Benefits Payable                                             | \$ 1,034,078                                                         | \$ 59,355                         |
| Payroll Deductions and Withholdings                                       | 1,035,545                                                            | -                                 |
| Accounts Payable                                                          | 5,426,112                                                            | 596,730                           |
| Construction Contracts Payable - Retainage                                | 1,228,017                                                            | -                                 |
| Due to Other Agencies                                                     | 216,437                                                              | -                                 |
| Deposits Payable                                                          | 175,022                                                              | 7,000                             |
| Loan Payable                                                              | 2,571,706                                                            | -                                 |
| Unearned Revenue                                                          | 3,667,942                                                            | -                                 |
| Long-Term Liabilities:                                                    |                                                                      |                                   |
| Portion Due Within One Year:                                              | 20,908,151                                                           | 345,735                           |
| Portion Due After One Year:                                               | <u>338,801,952</u>                                                   | <u>4,731,908</u>                  |
| Total Liabilities                                                         | <u>375,064,962</u>                                                   | <u>5,740,728</u>                  |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                      |                                                                      |                                   |
| Deferred Inflows Related to Pensions                                      | 25,326,861                                                           | 97,792                            |
| Deferred Inflows Related to Other Postemployment Benefits                 | 2,970,357                                                            | -                                 |
| Deferred Gains on Refunding                                               | <u>581,829</u>                                                       | <u>-</u>                          |
| Total Deferred Inflows of Resources                                       | <u>28,879,047</u>                                                    | <u>97,792</u>                     |
| <b>NET POSITION</b>                                                       |                                                                      |                                   |
| Net Investment in Capital Assets                                          | 353,513,610                                                          | 4,234,067                         |
| Restricted for:                                                           |                                                                      |                                   |
| State Required Carryover Programs                                         | 10,109,867                                                           | -                                 |
| Debt Service                                                              | 9,764,749                                                            | -                                 |
| Capital Projects                                                          | 75,256,599                                                           | -                                 |
| Food Service                                                              | 6,896,720                                                            | -                                 |
| Other Required Carryover Programs                                         | 5,217,334                                                            | 727,115                           |
| Unrestricted                                                              | <u>(179,476,727)</u>                                                 | <u>2,536,083</u>                  |
| Total Net Position                                                        | <u>281,282,152</u>                                                   | <u>7,497,265</u>                  |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b> | <b><u>\$ 685,226,161</u></b>                                         | <b><u>\$ 13,335,785</u></b>       |

The accompanying notes to the basic financial statements are an integral part of the financial statements.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

| Functions/Programs                              | <u>Expenses</u>       | <u>Program Revenues</u>             |                                                   |
|-------------------------------------------------|-----------------------|-------------------------------------|---------------------------------------------------|
|                                                 |                       | <u>Charges<br/>for<br/>Services</u> | <u>Operating<br/>Grants and<br/>Contributions</u> |
| <b>Primary Government</b>                       |                       |                                     |                                                   |
| <b>Governmental Activities:</b>                 |                       |                                     |                                                   |
| Instruction                                     | \$ 228,520,682        | \$ 1,340,912                        | \$ -                                              |
| Student Support Services                        | 19,431,978            | -                                   | -                                                 |
| Instructional Media Services                    | 4,911,047             | -                                   | -                                                 |
| Instruction and Curriculum Development Services | 15,391,672            | -                                   | -                                                 |
| Instructional Staff Training Services           | 8,215,793             | -                                   | -                                                 |
| Instruction-Related Technology                  | 4,797,813             | -                                   | -                                                 |
| Board                                           | 1,280,383             | -                                   | -                                                 |
| General Administration                          | 2,330,171             | -                                   | -                                                 |
| School Administration                           | 18,725,797            | -                                   | -                                                 |
| Facilities Acquisition and Construction         | 27,470,222            | 44,794                              | -                                                 |
| Fiscal Services                                 | 2,571,315             | -                                   | -                                                 |
| Food Services                                   | 19,945,691            | 1,622,986                           | 17,136,341                                        |
| Central Services                                | 7,089,056             | -                                   | -                                                 |
| Student Transportation Services                 | 21,056,289            | 185,166                             | -                                                 |
| Operation of Plant                              | 27,520,790            | -                                   | -                                                 |
| Maintenance of Plant                            | 11,974,205            | -                                   | -                                                 |
| Administrative Technology Services              | 4,083,262             | -                                   | -                                                 |
| Community Services                              | 1,704,625             | 424,373                             | -                                                 |
| Unallocated Interest on Long-Term Debt          | 1,045,942             | -                                   | -                                                 |
| <b>Total Governmental Activities</b>            | <u>\$ 428,066,733</u> | <u>\$ 3,618,231</u>                 | <u>\$ 17,136,341</u>                              |
| <b>Component Units</b>                          |                       |                                     |                                                   |
| Foundation/Charter Schools                      | <u>\$ 8,740,637</u>   | <u>\$ 186,139</u>                   | <u>\$ 882,721</u>                                 |

General Revenues:

Taxes:

Property Taxes, Levied for Operational Purposes

Property Taxes, Levied for Capital Projects

Local Sales Taxes

Grants and Contributions Not Restricted to Specific Programs

Unrestricted Investment Earnings

Miscellaneous

**Total General Revenues**

**Change in Net Position**

Net Position, July 1, 2019

**Net Position, June 30, 2020**

The accompanying notes to the basic financial statements are an integral part of the financial statements.

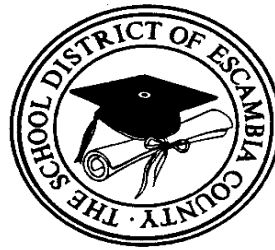
| <i>Net (Expense) Revenue and Changes in Net Position</i> |                                    |                            |
|----------------------------------------------------------|------------------------------------|----------------------------|
| <u>Capital<br/>Grants and<br/>Contributions</u>          | <u>Primary Government</u>          |                            |
|                                                          | <u>Governmental<br/>Activities</u> | <u>Component<br/>Units</u> |
| \$ -                                                     | \$ (227,179,770)                   | \$ -                       |
| -                                                        | (19,431,978)                       | -                          |
| -                                                        | (4,911,047)                        | -                          |
| -                                                        | (15,391,672)                       | -                          |
| -                                                        | (8,215,793)                        | -                          |
| -                                                        | (4,797,813)                        | -                          |
| -                                                        | (1,280,383)                        | -                          |
| -                                                        | (2,330,171)                        | -                          |
| -                                                        | (18,725,797)                       | -                          |
| 1,448,689                                                | (25,976,739)                       | -                          |
| -                                                        | (2,571,315)                        | -                          |
| -                                                        | (1,186,364)                        | -                          |
| -                                                        | (7,089,056)                        | -                          |
| -                                                        | (20,871,123)                       | -                          |
| -                                                        | (27,520,790)                       | -                          |
| -                                                        | (11,974,205)                       | -                          |
| -                                                        | (4,083,262)                        | -                          |
| -                                                        | (1,280,252)                        | -                          |
| 213,443                                                  | (832,499)                          | -                          |
| <u>\$ 1,662,132</u>                                      | <u>(405,650,029)</u>               | <u>-</u>                   |
| <br><u>\$ 138,044</u>                                    |                                    | <br><u>(7,533,733)</u>     |
|                                                          | 93,739,773                         | -                          |
|                                                          | 26,719,561                         | -                          |
|                                                          | 28,259,025                         | -                          |
|                                                          | 248,290,407                        | 7,191,802                  |
|                                                          | 2,072,953                          | 14,501                     |
|                                                          | <u>3,446,948</u>                   | <u>286,705</u>             |
|                                                          | <br>402,528,667                    | <br>7,493,008              |
|                                                          | <u>(3,121,362)</u>                 | <u>(40,725)</u>            |
|                                                          | <br>284,403,514                    | <br>7,537,990              |
|                                                          | <u>\$ 281,282,152</u>              | <u>\$ 7,497,265</u>        |

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2020**

|                                            | <b>General<br/>Fund</b> | <b>Special Revenue -<br/>Other Federal<br/>Programs<br/>Fund</b> |
|--------------------------------------------|-------------------------|------------------------------------------------------------------|
| <b>ASSETS</b>                              |                         |                                                                  |
| Cash and Cash Equivalents                  | \$ 32,773,064           | \$ 800,955                                                       |
| Investments                                | 10,040,082              | -                                                                |
| Accounts Receivable                        | 523,673                 | 21,645                                                           |
| Deposits Receivable                        | 2,000                   | -                                                                |
| Due from Other Funds                       | 6,313,845               | -                                                                |
| Due from Other Agencies                    | 545,654                 | 5,978,710                                                        |
| Inventories                                | 1,957,133               | -                                                                |
| <b>TOTAL ASSETS</b>                        | <b>\$ 52,155,451</b>    | <b>\$ 6,801,310</b>                                              |
| <b>LIABILITIES AND FUND BALANCES</b>       |                         |                                                                  |
| Liabilities:                               |                         |                                                                  |
| Salaries and Benefits Payable              | \$ 893,852              | \$ 132,519                                                       |
| Payroll Deductions and Withholdings        | 1,002,831               | 29,263                                                           |
| Accounts Payable                           | 1,637,242               | 358,556                                                          |
| Construction Contracts Payable - Retainage | -                       | -                                                                |
| Due to Other Funds                         | -                       | 6,280,972                                                        |
| Due to Other Agencies                      | 2,791,640               | -                                                                |
| Deposits Payable                           | -                       | -                                                                |
| Total Liabilities                          | 6,325,565               | 6,801,310                                                        |
| Fund Balances:                             |                         |                                                                  |
| Nonspendable:                              |                         |                                                                  |
| Inventories                                | 1,957,133               | -                                                                |
| Restricted for:                            |                         |                                                                  |
| State Required Carryover Programs          | 10,109,867              | -                                                                |
| Debt Service                               | -                       | -                                                                |
| Capital Projects                           | -                       | -                                                                |
| Food Service                               | -                       | -                                                                |
| Other Required Carryover Programs          | 5,217,334               | -                                                                |
| Assigned for:                              |                         |                                                                  |
| Contingencies                              | 7,680,024               | -                                                                |
| Local Carryovers                           | 14,616,972              | -                                                                |
| Unassigned                                 | 6,248,556               | -                                                                |
| Total Fund Balances                        | 45,829,886              | -                                                                |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b> | <b>\$ 52,155,451</b>    | <b>\$ 6,801,310</b>                                              |

The accompanying notes to the basic financial statements are an integral part of the financial statements.

| <i><b>Capital Projects -<br/>Local Capital<br/>Improvement<br/>Fund</b></i> | <i><b>Capital<br/>Projects -<br/>Other<br/>Fund</b></i> | <i><b>Other<br/>Governmental<br/>Funds</b></i> | <i><b>Total<br/>Governmental<br/>Funds</b></i> |
|-----------------------------------------------------------------------------|---------------------------------------------------------|------------------------------------------------|------------------------------------------------|
| \$ 1,202,233                                                                | \$ 1,995,746                                            | \$ 19,598,980                                  | \$ 56,370,978                                  |
| 9,771,920                                                                   | 62,687,252                                              | 25,990                                         | 82,525,244                                     |
| -                                                                           | -                                                       | 2,231                                          | 547,549                                        |
| -                                                                           | -                                                       | -                                              | 2,000                                          |
| -                                                                           | -                                                       | 12,905                                         | 6,326,750                                      |
| -                                                                           | 470,600                                                 | 410,558                                        | 7,405,522                                      |
| -                                                                           | -                                                       | 2,600,452                                      | 4,557,585                                      |
| <u>\$ 10,974,153</u>                                                        | <u>\$ 65,153,598</u>                                    | <u>\$ 22,651,116</u>                           | <u>\$ 157,735,628</u>                          |
|                                                                             |                                                         |                                                |                                                |
| \$ -                                                                        | \$ -                                                    | \$ 7,707                                       | \$ 1,034,078                                   |
| -                                                                           | -                                                       | 3,451                                          | 1,035,545                                      |
| 2,822,856                                                                   | 176,272                                                 | 262,191                                        | 5,257,117                                      |
| -                                                                           | 1,228,017                                               | -                                              | 1,228,017                                      |
| -                                                                           | 24                                                      | 54,659                                         | 6,335,655                                      |
| -                                                                           | -                                                       | -                                              | 2,791,640                                      |
| -                                                                           | -                                                       | 175,022                                        | 175,022                                        |
| <u>2,822,856</u>                                                            | <u>1,404,313</u>                                        | <u>503,030</u>                                 | <u>17,857,074</u>                              |
|                                                                             |                                                         |                                                |                                                |
| -                                                                           | -                                                       | 2,600,452                                      | 4,557,585                                      |
| -                                                                           | -                                                       | -                                              | 10,109,867                                     |
| -                                                                           | -                                                       | 9,764,749                                      | 9,764,749                                      |
| 8,151,297                                                                   | 63,749,285                                              | 5,486,617                                      | 77,387,199                                     |
| -                                                                           | -                                                       | 4,296,268                                      | 4,296,268                                      |
| -                                                                           | -                                                       | -                                              | 5,217,334                                      |
| -                                                                           | -                                                       | -                                              | 7,680,024                                      |
| -                                                                           | -                                                       | -                                              | 14,616,972                                     |
| -                                                                           | -                                                       | -                                              | 6,248,556                                      |
| <u>8,151,297</u>                                                            | <u>63,749,285</u>                                       | <u>22,148,086</u>                              | <u>139,878,554</u>                             |
| <u>\$ 10,974,153</u>                                                        | <u>\$ 65,153,598</u>                                    | <u>\$ 22,651,116</u>                           | <u>\$ 157,735,628</u>                          |



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**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2020**

|                                                 |                       |
|-------------------------------------------------|-----------------------|
| <b>Total Fund Balances - Governmental Funds</b> | <b>\$ 139,878,554</b> |
|-------------------------------------------------|-----------------------|

Amounts reported for governmental activities in the statement of net position are different because:

|                                                                                                                                                                                    |             |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. | 407,298,139 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|

|                                                                                                                                                                                                                                                                     |            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. | 16,553,017 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|

Long-term liabilities are not due and payable in the current fiscal year and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at fiscal year-end consist of:

|                                                                     |                 |               |
|---------------------------------------------------------------------|-----------------|---------------|
| Bonds Payable                                                       | \$ (39,501,000) |               |
| Less: unamortized premiums on bonds payable                         | (5,911,489)     |               |
| Certificates of Participation Payable                               | (9,205,000)     |               |
| Less: unamortized premiums on certificates of participation payable | (715,811)       |               |
| Compensated Absences Payable                                        | (40,904,268)    |               |
| Net Pension Liability                                               | (223,849,731)   |               |
| Other Postemployment Benefits Payable                               | (12,990,647)    | (333,077,946) |

Deferred inflows of resources related to the deferred amount on refunding are applicable to future periods and, therefore, are not reported in the governmental funds.

|                                                                     |           |           |
|---------------------------------------------------------------------|-----------|-----------|
| Deferred Gains on Refunding - Bonds Payable                         | (10,400)  |           |
| Deferred Gains on Refunding - Certificates of Participation Payable | (571,429) | (581,829) |

Deferred outflows of resources and deferred inflows of resources related to pensions and other postemployment benefits are applicable to future periods and, therefore, are not reported in the governmental funds.

|                                                            |              |            |
|------------------------------------------------------------|--------------|------------|
| Deferred Outflows Related to Pensions                      | 76,374,684   |            |
| Deferred Inflows Related to Pensions                       | (25,326,861) |            |
| Deferred Outflows Related to Other Postemployment Benefits | 3,134,751    |            |
| Deferred Inflows Related to Other Postemployment Benefits  | (2,970,357)  | 51,212,217 |

|                                                     |                       |
|-----------------------------------------------------|-----------------------|
| <b>Total Net Position - Governmental Activities</b> | <b>\$ 281,282,152</b> |
|-----------------------------------------------------|-----------------------|

The accompanying notes to the basic financial statements are an integral part of the financial statements.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                                          | <b>General<br/>Fund</b> | <b>Special Revenue -<br/>Other Federal<br/>Programs<br/>Fund</b> |
|----------------------------------------------------------|-------------------------|------------------------------------------------------------------|
| <b>Revenues</b>                                          |                         |                                                                  |
| Intergovernmental:                                       |                         |                                                                  |
| Federal Direct                                           | \$ 923,110              | \$ 2,189,968                                                     |
| Federal Through State and Local                          | 3,910,217               | 31,526,526                                                       |
| State                                                    | 208,692,775             | -                                                                |
| Local:                                                   |                         |                                                                  |
| Property Taxes                                           | 93,739,773              | -                                                                |
| Sales Taxes                                              | -                       | -                                                                |
| Charges for Food Service                                 | -                       | -                                                                |
| Miscellaneous                                            | 5,489,810               | -                                                                |
| <b>Total Revenues</b>                                    | <b>312,755,685</b>      | <b>33,716,494</b>                                                |
| <b>Expenditures</b>                                      |                         |                                                                  |
| Current - Education:                                     |                         |                                                                  |
| Instruction                                              | 194,196,852             | 14,009,401                                                       |
| Student Support Services                                 | 16,988,879              | 1,452,720                                                        |
| Instructional Media Services                             | 4,580,805               | 38,623                                                           |
| Instruction and Curriculum Development Services          | 7,453,245               | 7,364,840                                                        |
| Instructional Staff Training Services                    | 4,344,682               | 3,662,007                                                        |
| Instruction-Related Technology                           | 3,078,149               | 1,280,304                                                        |
| Board                                                    | 1,215,971               | -                                                                |
| General Administration                                   | 867,723                 | 1,414,765                                                        |
| School Administration                                    | 17,534,744              | 15,775                                                           |
| Facilities Acquisition and Construction                  | 868,153                 | 5,948                                                            |
| Fiscal Services                                          | 2,419,029               | -                                                                |
| Food Services                                            | 159,614                 | 63,485                                                           |
| Central Services                                         | 6,432,905               | 166,809                                                          |
| Student Transportation Services                          | 14,801,178              | 3,007,504                                                        |
| Operation of Plant                                       | 26,654,068              | 63,050                                                           |
| Maintenance of Plant                                     | 11,184,278              | -                                                                |
| Administrative Technology Services                       | 3,596,792               | 85,564                                                           |
| Community Services                                       | 782,407                 | 892,089                                                          |
| Capital Outlay:                                          |                         |                                                                  |
| Facilities Acquisition and Construction                  | 324,697                 | -                                                                |
| Other Capital Outlay                                     | 859,058                 | 193,610                                                          |
| Debt Service:                                            |                         |                                                                  |
| Principal                                                | -                       | -                                                                |
| Interest and Fiscal Charges                              | -                       | -                                                                |
| Other Debt Service                                       | -                       | -                                                                |
| <b>Total Expenditures</b>                                | <b>318,343,229</b>      | <b>33,716,494</b>                                                |
| <b>Excess (Deficiency) of Revenues Over Expenditures</b> | <b>(5,587,544)</b>      | <b>-</b>                                                         |
| <b>Other Financing Sources (Uses)</b>                    |                         |                                                                  |
| Refunding Bonds Issued                                   | -                       | -                                                                |
| Premium on Refunding Bonds                               | -                       | -                                                                |
| Sale of Capital Assets                                   | -                       | -                                                                |
| Transfers In                                             | 7,302,152               | -                                                                |
| Transfers Out                                            | -                       | -                                                                |
| <b>Total Other Financing Sources (Uses)</b>              | <b>7,302,152</b>        | <b>-</b>                                                         |
| <b>Net Change in Fund Balances</b>                       | <b>1,714,608</b>        | <b>-</b>                                                         |
| Fund Balances, July 1, 2019                              | 44,115,278              | -                                                                |
| <b>Fund Balances, June 30, 2020</b>                      | <b>\$ 45,829,886</b>    | <b>\$ -</b>                                                      |

The accompanying notes to the basic financial statements are an integral part of the financial statements.

| <i>Capital Projects -<br/>Local Capital<br/>Improvement<br/>Fund</i> | <i>Capital<br/>Projects -<br/>Other<br/>Fund</i> | <i>Other<br/>Governmental<br/>Funds</i> | <i>Total<br/>Governmental<br/>Funds</i> |
|----------------------------------------------------------------------|--------------------------------------------------|-----------------------------------------|-----------------------------------------|
| \$ -                                                                 | \$ -                                             | \$ -                                    | \$ 3,113,078                            |
| -                                                                    | -                                                | 16,767,551                              | 52,204,294                              |
| -                                                                    | 1,072,029                                        | 2,006,705                               | 211,771,509                             |
| 26,719,561                                                           | -                                                | -                                       | 120,459,334                             |
| -                                                                    | 28,259,025                                       | -                                       | 28,259,025                              |
| -                                                                    | -                                                | 1,622,986                               | 1,622,986                               |
| 165,139                                                              | 1,338,571                                        | 37,833                                  | 7,031,353                               |
| 26,884,700                                                           | 30,669,625                                       | 20,435,075                              | 424,461,579                             |
| -                                                                    | -                                                | -                                       | 208,206,253                             |
| -                                                                    | -                                                | -                                       | 18,441,599                              |
| -                                                                    | -                                                | -                                       | 4,619,428                               |
| -                                                                    | -                                                | -                                       | 14,818,085                              |
| -                                                                    | -                                                | -                                       | 8,006,689                               |
| -                                                                    | -                                                | -                                       | 4,358,453                               |
| -                                                                    | -                                                | -                                       | 1,215,971                               |
| -                                                                    | -                                                | -                                       | 2,282,488                               |
| -                                                                    | -                                                | -                                       | 17,550,519                              |
| 7,000,111                                                            | 14,023,268                                       | 1,801,657                               | 23,699,137                              |
| -                                                                    | -                                                | -                                       | 2,419,029                               |
| -                                                                    | -                                                | 19,340,972                              | 19,564,071                              |
| -                                                                    | -                                                | -                                       | 6,599,714                               |
| -                                                                    | -                                                | -                                       | 17,808,682                              |
| -                                                                    | -                                                | -                                       | 26,717,118                              |
| -                                                                    | -                                                | -                                       | 11,184,278                              |
| -                                                                    | -                                                | -                                       | 3,682,356                               |
| -                                                                    | -                                                | -                                       | 1,674,496                               |
| 123,795                                                              | 16,519,124                                       | -                                       | 16,967,616                              |
| 5,569,274                                                            | 147,113                                          | 266,675                                 | 7,035,730                               |
| -                                                                    | -                                                | 8,373,000                               | 8,373,000                               |
| -                                                                    | -                                                | 2,473,855                               | 2,473,855                               |
| -                                                                    | -                                                | 150,234                                 | 150,234                                 |
| 12,693,180                                                           | 30,689,505                                       | 32,406,393                              | 427,848,801                             |
| 14,191,520                                                           | (19,880)                                         | (11,971,318)                            | (3,387,222)                             |
| -                                                                    | -                                                | 126,000                                 | 126,000                                 |
| -                                                                    | -                                                | 24,818                                  | 24,818                                  |
| -                                                                    | 511,377                                          | -                                       | 511,377                                 |
| -                                                                    | -                                                | 10,387,375                              | 17,689,527                              |
| (11,534,639)                                                         | (6,154,888)                                      | -                                       | (17,689,527)                            |
| (11,534,639)                                                         | (5,643,511)                                      | 10,538,193                              | 662,195                                 |
| 2,656,881                                                            | (5,663,391)                                      | (1,433,125)                             | (2,725,027)                             |
| 5,494,416                                                            | 69,412,676                                       | 23,581,211                              | 142,603,581                             |
| \$ 8,151,297                                                         | \$ 63,749,285                                    | \$ 22,148,086                           | \$ 139,878,554                          |

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Net Change in Fund Balances - Governmental Funds** \$ (2,725,027)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital outlays in excess of depreciation expense in the current fiscal year.

|                                                                        |                     |           |
|------------------------------------------------------------------------|---------------------|-----------|
| Capital Outlay - Facilities Acquisition and Construction - Capitalized | \$ 15,358,538       |           |
| Capital Outlay - Other Capital Outlay - Capitalized                    | 7,035,730           |           |
| Less, Depreciation Expense                                             | <u>(14,118,018)</u> | 8,276,250 |

The statement of activities reflects only the gain/loss on the sale of assets, whereas the governmental funds include all proceeds from these sales. Thus, the change in net position differs from the change in fund balances by the cost of assets sold. (27,584)

Debt proceeds are reported as financial resources in governmental funds and thus contribute to the change in fund balance. However, in the statement of net position, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, payments to escrow agents are reported as financial uses in the governmental funds but reduces the liability in the statement of net position. Repayment of principal is an expenditure in the governmental funds, but reduces the liability in the statement of net position. These are the debt refunding and principal payments for the current fiscal year:

|                                         |                  |           |
|-----------------------------------------|------------------|-----------|
| Bond Proceeds                           | (126,000)        |           |
| Premium on Bonds                        | (24,818)         |           |
| Bond Repayments                         | 4,253,000        |           |
| Certificate of Participation Repayments | <u>4,270,000</u> | 8,372,182 |

Premiums associated with long-term debt issued in the current fiscal year are reported in the statement of activities, but are not a current financial resource and, therefore, are not reported in governmental funds. This is the decrease in deferred premiums during the current fiscal year:

|                                                             |                |           |
|-------------------------------------------------------------|----------------|-----------|
| Bonds Payable                                               | 781,927        |           |
| Amortization of deferred charges and gain on refunding, net | 2,600          |           |
| Certificates of Participation Payable                       | 357,906        |           |
| Amortization of deferred charges and gain on refunding, net | <u>285,714</u> | 1,428,147 |

In the Statement of Activities, pension expense is recorded for the District's proportionate share of collective pension expense of the cost sharing defined benefit plans in which the District participates. Also included in pension expense are amounts required to be amortized in accordance with GASB Statement No. 68. (22,876,262)

The net change in liability and related deferred outflows/inflows of resources for other postemployment benefits payable is reported as an expense in the government-wide statements, but not in the governmental fund statements. 1,331,086

In the statement of activities, the cost of compensated absences is measured by the amounts earned during the fiscal year, while in governmental funds expenditures are recognized based on the amounts actually paid for compensated absences. This is the net amount of compensated absences earned in excess of the amount paid in the current fiscal year. (812,281)

Internal service funds are used by management to charge the cost of certain activities, such as insurance, to individual funds. The net revenue of internal service funds is reported with governmental activities. 3,912,127

**Change in Net Position of Governmental Activities** \$ (3,121,362)

The accompanying notes to the basic financial statements are an integral part of the financial statements.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET TO ACTUAL - GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                                          | <b>General Fund</b>                    |                                     |                           | <b>Variance with<br/>Final Budget -<br/>Positive<br/>(Negative)</b> |
|----------------------------------------------------------|----------------------------------------|-------------------------------------|---------------------------|---------------------------------------------------------------------|
|                                                          | <b>Original<br/>Budget<br/>Amounts</b> | <b>Final<br/>Budget<br/>Amounts</b> | <b>Actual<br/>Amounts</b> |                                                                     |
| <b>Revenues</b>                                          |                                        |                                     |                           |                                                                     |
| Intergovernmental:                                       |                                        |                                     |                           |                                                                     |
| Federal Direct                                           | \$ 950,000                             | \$ 999,663                          | \$ 923,110                | \$ (76,553)                                                         |
| Federal Through State and Local                          | 2,336,174                              | 3,172,291                           | 3,910,217                 | 737,926                                                             |
| State                                                    | 212,905,625                            | 209,005,163                         | 208,692,775               | (312,388)                                                           |
| Local:                                                   |                                        |                                     |                           |                                                                     |
| Property Taxes                                           | 92,173,545                             | 93,739,773                          | 93,739,773                | -                                                                   |
| Miscellaneous                                            | 4,891,105                              | 5,091,385                           | 5,489,810                 | 398,425                                                             |
| <b>Total Revenues</b>                                    | <b>313,256,449</b>                     | <b>312,008,275</b>                  | <b>312,755,685</b>        | <b>747,410</b>                                                      |
| <b>Expenditures</b>                                      |                                        |                                     |                           |                                                                     |
| Current - Education:                                     |                                        |                                     |                           |                                                                     |
| Instruction                                              | 196,203,713                            | 201,452,581                         | 194,196,852               | 7,255,729                                                           |
| Student Support Services                                 | 17,248,312                             | 17,239,334                          | 16,988,879                | 250,455                                                             |
| Instructional Media Services                             | 4,756,577                              | 5,019,862                           | 4,580,805                 | 439,057                                                             |
| Instruction and Curriculum Development Services          | 7,331,688                              | 8,027,698                           | 7,453,245                 | 574,453                                                             |
| Instructional Staff Training Services                    | 3,961,981                              | 4,764,902                           | 4,344,682                 | 420,220                                                             |
| Instruction-Related Technology                           | 3,057,666                              | 3,138,964                           | 3,078,149                 | 60,815                                                              |
| Board                                                    | 1,703,277                              | 1,547,500                           | 1,215,971                 | 331,529                                                             |
| General Administration                                   | 893,468                                | 911,468                             | 867,723                   | 43,745                                                              |
| School Administration                                    | 15,895,344                             | 17,887,205                          | 17,534,744                | 352,461                                                             |
| Facilities Acquisition and Construction                  | 2,592,278                              | 1,753,150                           | 868,153                   | 884,997                                                             |
| Fiscal Services                                          | 2,696,623                              | 2,795,143                           | 2,419,029                 | 376,114                                                             |
| Food Services                                            | 70,051                                 | 169,622                             | 159,614                   | 10,008                                                              |
| Central Services                                         | 7,979,709                              | 7,692,542                           | 6,432,905                 | 1,259,637                                                           |
| Student Transportation Services                          | 16,683,755                             | 16,681,849                          | 14,801,178                | 1,880,671                                                           |
| Operation of Plant                                       | 26,733,605                             | 27,861,158                          | 26,654,068                | 1,207,090                                                           |
| Maintenance of Plant                                     | 11,393,067                             | 11,495,449                          | 11,184,278                | 311,171                                                             |
| Administrative Technology Services                       | 3,330,919                              | 3,720,075                           | 3,596,792                 | 123,283                                                             |
| Community Services                                       | 1,252,346                              | 1,242,419                           | 782,407                   | 460,012                                                             |
| Capital Outlay:                                          |                                        |                                     |                           |                                                                     |
| Facilities Acquisition and Construction                  | 249,765                                | 332,844                             | 324,697                   | 8,147                                                               |
| Other Capital Outlay                                     | 1,043,473                              | 1,356,590                           | 859,058                   | 497,532                                                             |
| <b>Total Expenditures</b>                                | <b>325,077,617</b>                     | <b>335,090,355</b>                  | <b>318,343,229</b>        | <b>16,747,126</b>                                                   |
| <b>Excess (Deficiency) of Revenues Over Expenditures</b> | <b>(11,821,168)</b>                    | <b>(23,082,080)</b>                 | <b>(5,587,544)</b>        | <b>17,494,536</b>                                                   |
| <b>Other Financing Sources (Uses)</b>                    |                                        |                                     |                           |                                                                     |
| Transfers In                                             | 8,238,196                              | 8,190,836                           | 7,302,152                 | (888,684)                                                           |
| <b>Total Other Financing Sources (Uses)</b>              | <b>8,238,196</b>                       | <b>8,190,836</b>                    | <b>7,302,152</b>          | <b>(888,684)</b>                                                    |
| <b>Net Change in Fund Balances</b>                       | <b>(3,582,972)</b>                     | <b>(14,891,244)</b>                 | <b>1,714,608</b>          | <b>16,605,852</b>                                                   |
| Fund Balances, July 1, 2019                              | 44,115,278                             | 44,115,278                          | 44,115,278                | -                                                                   |
| <b>Fund Balances, June 30, 2020</b>                      | <b>\$ 40,532,306</b>                   | <b>\$ 29,224,034</b>                | <b>\$ 45,829,886</b>      | <b>\$ 16,605,852</b>                                                |

The accompanying notes to the basic financial statements are an integral part of the financial statements.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET TO ACTUAL - MAJOR SPECIAL REVENUE FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                                          | <b>Special Revenue - Other Federal Programs Fund</b> |                                     |                           |                                                                     |
|----------------------------------------------------------|------------------------------------------------------|-------------------------------------|---------------------------|---------------------------------------------------------------------|
|                                                          | <b>Original<br/>Budget<br/>Amounts</b>               | <b>Final<br/>Budget<br/>Amounts</b> | <b>Actual<br/>Amounts</b> | <b>Variance with<br/>Final Budget -<br/>Positive<br/>(Negative)</b> |
| <b>Revenues</b>                                          |                                                      |                                     |                           |                                                                     |
| Intergovernmental:                                       |                                                      |                                     |                           |                                                                     |
| Federal Direct                                           | \$ 2,626,994                                         | \$ 2,571,915                        | \$ 2,189,968              | \$ (381,947)                                                        |
| Federal Through State and Local                          | 37,347,917                                           | 39,116,924                          | 31,526,526                | (7,590,398)                                                         |
| <b>Total Revenues</b>                                    | <b>39,974,911</b>                                    | <b>41,688,839</b>                   | <b>33,716,494</b>         | <b>(7,972,345)</b>                                                  |
| <b>Expenditures</b>                                      |                                                      |                                     |                           |                                                                     |
| Current - Education:                                     |                                                      |                                     |                           |                                                                     |
| Instruction                                              | 15,115,031                                           | 17,834,849                          | 14,009,401                | 3,825,448                                                           |
| Student Support Services                                 | 1,862,561                                            | 1,791,737                           | 1,452,720                 | 339,017                                                             |
| Instructional Media Services                             | 48,191                                               | 46,119                              | 38,623                    | 7,496                                                               |
| Instruction and Curriculum Development Services          | 8,451,973                                            | 8,294,374                           | 7,364,840                 | 929,534                                                             |
| Instructional Staff Training Services                    | 6,308,360                                            | 5,425,053                           | 3,662,007                 | 1,763,046                                                           |
| Instruction-Related Technology                           | 1,510,770                                            | 1,501,132                           | 1,280,304                 | 220,828                                                             |
| General Administration                                   | 1,820,583                                            | 1,830,804                           | 1,414,765                 | 416,039                                                             |
| School Administration                                    | 6,320                                                | 15,845                              | 15,775                    | 70                                                                  |
| Facilities Acquisition and Construction                  | 2,000                                                | 5,948                               | 5,948                     | -                                                                   |
| Food Services                                            | -                                                    | 63,485                              | 63,485                    | -                                                                   |
| Central Services                                         | 227,093                                              | 215,552                             | 166,809                   | 48,743                                                              |
| Student Transportation Services                          | 3,289,298                                            | 3,287,069                           | 3,007,504                 | 279,565                                                             |
| Operation of Plant                                       | 17,846                                               | 72,989                              | 63,050                    | 9,939                                                               |
| Administrative Technology Services                       | 82,644                                               | 87,429                              | 85,564                    | 1,865                                                               |
| Community Services                                       | 1,030,243                                            | 892,676                             | 892,089                   | 587                                                                 |
| Capital Outlay:                                          |                                                      |                                     |                           |                                                                     |
| Other Capital Outlay                                     | 201,998                                              | 323,778                             | 193,610                   | 130,168                                                             |
| <b>Total Expenditures</b>                                | <b>39,974,911</b>                                    | <b>41,688,839</b>                   | <b>33,716,494</b>         | <b>7,972,345</b>                                                    |
| <b>Excess (Deficiency) of Revenues Over Expenditures</b> | <b>-</b>                                             | <b>-</b>                            | <b>-</b>                  | <b>-</b>                                                            |
| <b>Net Change in Fund Balances</b>                       | <b>-</b>                                             | <b>-</b>                            | <b>-</b>                  | <b>-</b>                                                            |
| Fund Balances, July 1, 2019                              | -                                                    | -                                   | -                         | -                                                                   |
| <b>Fund Balances, June 30, 2020</b>                      | <b>\$ -</b>                                          | <b>\$ -</b>                         | <b>\$ -</b>               | <b>\$ -</b>                                                         |

The accompanying notes to the basic financial statements are an integral part of the financial statements.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**STATEMENT OF NET POSITION -**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2020**

|                                           | <b><i>Governmental<br/>Activities -<br/>Internal<br/>Service<br/>Funds</i></b> |
|-------------------------------------------|--------------------------------------------------------------------------------|
| <b>ASSETS</b>                             |                                                                                |
| Current Assets:                           |                                                                                |
| Cash and Cash Equivalents                 | \$ 47,008,690                                                                  |
| Accounts Receivable                       | 502                                                                            |
| Due From Other Funds                      | 8,905                                                                          |
| Due From Other Agencies                   | 4,014                                                                          |
|                                           | <hr/>                                                                          |
| <b>TOTAL ASSETS</b>                       | <b>\$ 47,022,111</b>                                                           |
|                                           | <hr/>                                                                          |
| <b>LIABILITIES</b>                        |                                                                                |
| Current Liabilities:                      |                                                                                |
| Accounts Payable                          | \$ 168,995                                                                     |
| Unearned Revenue                          | 3,667,942                                                                      |
| Estimated Insurance Claims Payable        | 6,898,665                                                                      |
| <b>Total Current Liabilities</b>          | <hr/> <b>10,735,602</b> <hr/>                                                  |
| Noncurrent Liabilities:                   |                                                                                |
| Estimated Insurance Claims Payable        | <hr/> 19,733,492                                                               |
| <b>Total Noncurrent Liabilities</b>       | <hr/> <b>19,733,492</b> <hr/>                                                  |
| <b>TOTAL LIABILITIES</b>                  | <hr/> <b>30,469,094</b> <hr/>                                                  |
| <b>NET POSITION</b>                       |                                                                                |
| Unrestricted                              | <hr/> 16,553,017                                                               |
| <b>Total Net Position</b>                 | <hr/> <b>16,553,017</b> <hr/>                                                  |
| <b>TOTAL LIABILITIES AND NET POSITION</b> | <hr/> <b>\$ 47,022,111</b> <hr/>                                               |

The accompanying notes to the basic financial statements are an integral part of the financial statements.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN FUND NET POSITION -**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                          | <b>Governmental<br/>Activities -<br/>Internal<br/>Service<br/>Funds</b> |
|------------------------------------------|-------------------------------------------------------------------------|
| <b>OPERATING REVENUES</b>                |                                                                         |
| Premium Revenues                         | \$ 46,908,894                                                           |
| Other                                    | 1,669,391                                                               |
| <b>Total Operating Revenues</b>          | <u>48,578,285</u>                                                       |
| <b>OPERATING EXPENSES</b>                |                                                                         |
| Salaries                                 | 281,498                                                                 |
| Employee Benefits                        | 63,674                                                                  |
| Purchased Services                       | 5,479,129                                                               |
| Energy Services                          | 11,537                                                                  |
| Materials and Supplies                   | 13,083                                                                  |
| Insurance Claims                         | 36,326,841                                                              |
| Other                                    | 2,560,838                                                               |
| <b>Total Operating Expenses</b>          | <u>44,736,600</u>                                                       |
| <b>Operating Income (Loss)</b>           | <u>3,841,685</u>                                                        |
| <b>NONOPERATING REVENUES</b>             |                                                                         |
| Loss Recoveries                          | 70,442                                                                  |
| <b>Total Nonoperating Revenues</b>       | <u>70,442</u>                                                           |
| <b>Income (Loss) Before Transfers</b>    | <u>3,912,127</u>                                                        |
| <b>Change in Net Position</b>            | <u>3,912,127</u>                                                        |
| <b>NET POSITION</b>                      |                                                                         |
| Total Net Position, July 1, 2019         | 12,640,890                                                              |
| <b>Total Net Position, June 30, 2020</b> | <u><u>\$ 16,553,017</u></u>                                             |

The accompanying notes to the basic financial statements are an integral part of the financial statements.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**STATEMENT OF CASH FLOWS -**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                                                                                           | <b>Governmental<br/>Activities -<br/>Internal<br/>Service<br/>Funds</b> |
|-----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                                               |                                                                         |
| Cash Received from Board Funds and Participants                                                           | \$ 48,532,594                                                           |
| Cash Payments to Suppliers for Goods and Services                                                         | (8,062,124)                                                             |
| Cash Payments to Employees for Services                                                                   | (345,172)                                                               |
| Cash Payments for Interfund Services                                                                      | (617,420)                                                               |
| Cash Payments for Insurance Claims                                                                        | (38,666,405)                                                            |
| <b>Net Cash Provided (Used) by Operating Activities</b>                                                   | <u>841,473</u>                                                          |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>                                                    |                                                                         |
| Loss Recoveries                                                                                           | <u>70,442</u>                                                           |
| <b>Net Cash Provided (Used) by Noncapital Financing Activities</b>                                        | <u>70,442</u>                                                           |
| <b>Net Increase (Decrease) in Cash and Cash Equivalents</b>                                               | 911,915                                                                 |
| Beginning Cash and Cash Equivalents                                                                       | <u>46,096,775</u>                                                       |
| <b>Ending Cash and Cash Equivalents</b>                                                                   | <u><u>\$ 47,008,690</u></u>                                             |
| <b>Reconciliation of Operating Income (Loss) to Net Cash<br/>Provided (Used) by Operating Activities:</b> |                                                                         |
| Operating Income (Loss)                                                                                   | \$ 3,841,685                                                            |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash<br>Provided (Used) by Operating Activities:  |                                                                         |
| Changes in Assets and Liabilities:                                                                        |                                                                         |
| (Increase) Decrease in Accounts Receivable                                                                | 387                                                                     |
| (Increase) Decrease in Due From Other Funds                                                               | (8,905)                                                                 |
| (Increase) Decrease in Due From Other Agencies                                                            | (3,445)                                                                 |
| Increase (Decrease) in Accounts Payable                                                                   | (139,743)                                                               |
| Increase (Decrease) in Due to Other Funds                                                                 | (463,382)                                                               |
| Increase (Decrease) in Unearned Revenue                                                                   | (45,690)                                                                |
| Increase (Decrease) in Estimated Insurance Claims Payable                                                 | (2,339,434)                                                             |
| <b>Total Adjustments</b>                                                                                  | <u>(3,000,212)</u>                                                      |
| <b>Net Cash Provided (Used) by Operating Activities</b>                                                   | <u><u>\$ 841,473</u></u>                                                |

The accompanying notes to the basic financial statements are an integral part of the financial statements.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES -**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2020**

|                                     | <u><b>Agency<br/>Funds</b></u> |
|-------------------------------------|--------------------------------|
| <b>ASSETS</b>                       |                                |
| Cash                                | <u>\$ 3,534,090</u>            |
| <b>LIABILITIES</b>                  |                                |
| Internal Accounts Payable           | \$ 3,386,521                   |
| Payroll Deductions and Withholdings | <u>147,569</u>                 |
| <b>Total Liabilities</b>            | <u>\$ 3,534,090</u>            |

The accompanying notes to the basic financial statements are an integral part of the financial statements.

**DISTRICT SCHOOL BOARD OF  
ESCAMBIA COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

➤ **Reporting Entity**

The Escambia County District School Board (Board) has direct responsibility for operation, control, and supervision of District schools and is considered a primary government for financial reporting. The Escambia County School District (District) is considered part of the Florida system of public education. The governing body of the District is the Board, which is composed of five elected members. The elected Superintendent of Schools is the executive officer of the Board. Geographic boundaries of the District correspond with those of Escambia County.

Criteria for determining if other entities are potential component units which should be reported within the District's basic financial statements are identified and described in the Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100 and 2600. The application of these criteria provides for identification of any entities for which the Board is financially accountable and other organizations for which the nature and significance of their relationship with the Board are such that exclusion would cause the District's basic financial statements to be misleading.

Based on the application of these criteria, the following component units are included within the Board's reporting entity:

- **Blended Component Unit.** The Escambia School District Employee Benefit Trust (Trust) has been established to administer the District's employee life, health, and dental insurance programs. Assets necessary to fund the programs are transferred to the Trust; however, under the terms of the Trust Agreement, the Board retains control of the assets. Due to the substantive economic relationship between the District and the Trust, the financial activities of the Trust are reported in the accompanying basic financial statements as an internal service fund.
- **Discretely Presented Component Units.** The component units' columns in the basic financial statements, include the financial data of the District's other component units, as follows:

The Escambia County Public Schools Foundation for Excellence, Inc. (Foundation), is a separate not-for-profit corporation organized and operated as a direct-support organization under Section 1001.453, Florida Statutes, and, as such, the Foundation is approved by the Board. The Foundation was formed to provide charitable and educational aid to the District and to receive, hold, invest, and administer property and to make expenditures for the benefit of the District, which is able to impose its will on the Foundation.

Charter schools are separate not-for-profit corporations each with a separate board of directors organized pursuant to Chapter 617, Florida Statutes, the Florida Not for Profit Corporation Act, and Section 1002.33, Florida Statutes. Charter schools operate under a charter of the sponsoring school district and are considered component units according to the interpretation of GASB Statement No. 61 by the Florida Department of Education which determined that Florida school districts are financially accountable for Florida charter schools.

Pursuant to the Florida Constitution, charter schools are public schools and the District is responsible for their operation, control, and supervision. The District has entered

(Continued)  
**DISTRICT SCHOOL BOARD OF  
ESCAMBIA COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

into charter agreements with the following charter schools that are considered part of the District's reporting entity:

Capstone Academy Pensacola was established to provide exceptional student educational services to handicapped prekindergarten students.

Jaqueline Harris Preparatory Academy was established to provide alternate programs of education, training, and related services for elementary students who are considered "at risk" of academic failure. Jaqueline Harris Preparatory Academy, operated by New Road to Learning, Inc., is a separate not-for-profit entity.

Beulah Academy of Science, Inc., was established to provide an agriculture and science program for middle school students.

Byrneville Elementary School, Inc., and Pensacola Beach Elementary School, Inc., were established to provide education, training, and related services to elementary school students.

Audits of the Foundation's financial statements and the charter schools' financial statements for the fiscal year ended June 30, 2020, are conducted by an independent certified public accountant and are filed in the District's administrative office at 75 North Pace Boulevard, Pensacola, Florida.

➤ **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The accounting and financial reporting treatment is determined by its measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured as current financial resources or economic resources. The basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

Government-wide Financial Statements - The Government-wide financial statements are prepared under the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions in which the District gives or receives value without directly receiving or giving value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The Statement of Net Position and the Statement of Activities present financial information about the District's governmental activities. These statements include the financial activities of the government in its entirety, except for those that are fiduciary. Governmental activities are normally supported by taxes and inter-governmental revenues. The District currently does not have any business-type activities.

The Statement of Net Position includes all assets, liabilities, and deferred outflows/inflows of resources of the District. The Statement of Activities presents a comparison between the direct expenses and program revenues for each function or program of the District's

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governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Depreciation expenses are allocated to functions based on actual and estimated usage of the assets in those functions.

Amounts reported as program revenues include: 1) charges for services provided to students for tuition, fees, rental, material, supplies, or other services, 2) operating grants and contributions, and 3) capital grants and contributions. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

The effects of interfund activity have been eliminated from the government-wide financial statements except for interfund services provided and used.

Fund Financial Statements – The Governmental Fund Financial Statements are prepared utilizing the current financial resource measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become susceptible to accrual, that is, both measurable and available. “Measurable” means the amount of transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Significant revenues “susceptible to accrual” include ad valorem taxes, reimbursable-type grants, and interest on investments. The District considers revenues from property taxes as available if they are collected within 60 days after fiscal year-end. Expenditures are recorded when the fund liability is incurred. However, exceptions include unmatured principal and interest on general long-term debt and accumulated sick and vacation pay, which are recorded when payment is due.

In applying the “susceptible to accrual” concept to revenues from Federal and State sources, the legal contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of revenues. In one type, moneys must be expended for the specific purpose or project before the District will receive any amounts; therefore, revenues are recognized based upon the occurrence of the expenditure. In the other type, moneys are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed legal and contractual requirements. These resources are reflected as revenues at the time of receipt or earlier if the “susceptible to accrual” criteria are met. In all cases, moneys received before the revenue recognition criteria have been met, are reported as unearned revenue.

Agency (Fiduciary) funds are purely custodial in nature (assets equal liabilities) and as such do not have a measurement focus. Agency funds use the accrual basis of accounting to recognize receivables and payables.

The Proprietary Fund Financial Statements are prepared under the economic resources measurement focus and the accrual basis of accounting.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the District’s internal service funds are for self-insurance (property, casualty, liability, and workers’ compensation), and employee benefits

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(health and prescription) provided to other funds. Operating expenses for the internal service funds include salaries, employee benefits, purchased services, energy services, materials and supplies, capital outlay, and insurance claims. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The fund statements provide information about the District's funds, including fiduciary funds. Separate financial statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as other governmental funds. The District reports the following major governmental funds:

- General Fund – to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.
- Special Revenue - Other Federal Programs Fund – to account for certain Federal grant program resources.
- Capital Projects – Local Capital Improvement Fund – to account for the financial resources generated by capital outlay and ad valorem property taxes based on the discretionary millage rate set by the School Board.
- Capital Projects – Other Fund – to account for the financial resources generated by the local voted sales tax and various other financial resources restricted for educational capital outlay needs, including new construction, renovation, and remodeling projects.

Additionally, the District reports the following proprietary and fiduciary fund types:

- Internal Service Funds – to account for the District's individual self-insurance programs.
- Agency Funds – to account for resources of the District's pre-tax flexible benefits plan and the school internal funds, which are used to administer moneys collected at the schools in connection with school, student athletic, class, and club activities.

Discretely Presented Component Units – The Foundation is accounted for under the not-for-profit basis of accounting and uses the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when incurred.

Except for the Capstone Academy Pensacola, the charter schools are accounted for as governmental organizations and follow the same accounting model as the District's governmental activities. The Capstone Academy Pensacola is accounted for under the not-for-profit basis of accounting and uses the accrual basis of accounting.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at fiscal year-end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and

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internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the fiscal year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in and out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

➤ **Net Position / Fund Balance Flow Assumptions**

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed. When committed, assigned, or unassigned resources are available for use in governmental fund financial statements, it is the District's policy to use committed resources first, followed by assigned resources, and then unassigned resources as they are needed.

➤ **Fund Balance Policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board is the highest level of decision-making authority for the District that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation. An additional action is essential to either remove or revise a commitment.

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the "committed" criteria level. The Board has by resolution authorized the Superintendent to assign fund balances for such purposes as carry forward of school budget allocations or for amounts set aside for specific projects not required by statute or board policy. Unlike commitments, assignments generally only exist temporarily. An additional action does not normally have to be taken for the removal of an assignment.

➤ **Deposits and Investments**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term, highly liquid investments with original maturities of 3 months or less. Investments classified as cash equivalents include amounts placed with the State Board of Administration (SBA) in Florida PRIME.

Cash deposits are held by banks qualified as public depositories under Florida law or through the Federally Insured Cash Account program, which complies with the provisions of Section 218.415(23), Florida Statutes, and is therefore exempt from Florida's public

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deposits program pursuant to Section 280.03(3)(f), Florida Statutes. All deposits are insured by Federal depository insurance, up to specified limits, or collateralized with securities held in Florida's multiple, financial institution collateral pool, as required by Chapter 280, Florida Statutes. The statement of cash flows considers cash and cash equivalents as those amounts in demand deposit accounts and all highly liquid investments with an original maturity of 3 months or less.

Investments consist of amounts placed in SBA Debt Service accounts for investment of debt service moneys, amounts placed with SBA for participation in the Florida PRIME, and those made locally. Investments made locally are reported at fair value and consist of:

- (1) Intergovernmental investment pool made up of money market mutual funds and various short-term government bond funds. The intergovernmental investment pool is reported at fair value and is described in a subsequent note on investments.
- (2) Government bonds.
- (3) Commercial paper.
- (4) Treasury bills.
- (5) U.S. Government bond funds.
- (6) Certificate of Deposits.

The District's investments in Florida PRIME, which SBA indicates is a Securities and Exchange Commission Rule 2a7-like external investment pool, as of June 30, 2020, are similar to money market funds in which shares are owned in the fund rather than the underlying investments. According to GASB Statement 79, these investments are reported at fair value, which is amortized cost. Florida PRIME operates under investment guidelines established by Section 215.47, Florida Statutes.

➤ **Inventories**

Inventories consist of expendable supplies held for consumption in the course of District operations. Material stores, maintenance stores, custodial stores, transportation stores, fuel inventories, and purchased food and lunchroom supply inventories are stated on the average-cost method. The United States Department of Agriculture surplus donated foods are stated at their fair value, as determined at the time of donation to the District's food service program by the Florida Department of Agriculture and Consumer Services, Bureau of Food Distribution. The costs of inventories are recorded as expenditures when used rather than purchased.

➤ **Capital Assets**

Expenditures for capital assets acquired or constructed for general District purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported at cost in the government-wide statement of net position but are not reported in the governmental fund financial statements. Capital assets are defined by the District as those costing more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value at the

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date of donation. Interest costs incurred during the construction of capital assets are not considered material and are not capitalized as part of the cost of construction.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

| <u>Description</u>                           | <u>Estimated Lives</u> |
|----------------------------------------------|------------------------|
| Improvements Other Than Buildings            | 15 years               |
| Buildings and Fixed Equipment                | 20 - 55 years          |
| Furniture, Fixtures, and Equipment           | 5 - 15 years           |
| Motor Vehicles                               | 10 - 20 years          |
| Audio Visual Materials and Computer Software | 10 - 15 years          |

Current fiscal year information relative to changes in capital assets is described in a subsequent note.

➤ **Long-Term Liabilities**

Long-term obligations that will be financed from resources to be received in the future by governmental funds are reported as liabilities in the government-wide statement of net position. Bond and Certificates of Participation (COP) premiums and discounts are amortized over the life of the debt using the straight-line method. Bonds and COP payable are reported net of the applicable premiums or discounts.

In the governmental fund financial statements, bonds and other long-term obligations are not recognized as liabilities until due. Governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued and premiums on debt issuance are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Changes in long-term liabilities for the current fiscal year are reported in a subsequent note.

➤ **Compensated Absences**

The criteria for determining compensated absences (i.e., paid absences for employee vacation and sick leave benefit) liability are derived from Board policy, negotiated agreements, and State law. Vacation benefits are accrued as a liability as the benefits are earned if an employee's right to receive compensation is attributable to services already rendered and it is probable that the employer will compensate the employee for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at fiscal year-end by those employees who are currently eligible to receive termination payments and those employees for whom it is probable they will become eligible to receive termination

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benefits in the future. Compensated absences include applicable salary related payments for Social Security, Medicare, and retirement contributions.

In the government-wide financial statements, compensated absences are accrued as liabilities to the extent that it is probable that the benefits will result in termination payments. A liability is reported for compensated absences in the governmental fund financial statements only if they have matured (i.e., unused reimbursable leave still outstanding following an employee's resignation or retirement). The liability for compensated absences includes salary-related benefits, where applicable.

Changes in compensated absences for the current fiscal year are reported in a subsequent note.

➤ **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for *deferred outflows of resources*. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense) until then.

The District has two items that qualify for reporting as deferred outflows of resources, the *deferred outflows related to pensions* and the *deferred outflows related to other post-employment benefits (OPEB)* are reported in the government-wide statement of net position. The deferred outflows related to pensions and OPEB are an aggregate of related items as calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, respectively. The deferred outflows related to pensions and OPEB will be recognized as either an expense or a reduction in the net liability in future reporting years. Details on the composition of the deferred outflows related to pensions and OPEB are further discussed in subsequent notes.

In addition to liabilities, the statement of net position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The District has three items that qualify for reporting as deferred inflows of resources.

The three items reported as deferred inflows of resources are the *deferred gains on refunding*, the *deferred inflows related to pensions*, and the *deferred inflows related to OPEB* and are reported in the government-wide statement of net position. A deferred gain on refunding results from a debt refinancing whereby the net carrying amount of the debt instrument exceeds the reacquisition price of the refunding debt. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred inflows related to pensions and OPEB are an aggregate of related items as calculated in accordance with GASB Statement No. 68 and No. 75, respectively. The deferred inflows related to pensions and OPEB will be recognized as a reduction of an expense in future reporting years. Details on the composition of the deferred inflows related to pensions and OPEB are further discussed in subsequent notes.

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➤ **State Revenue Sources**

Revenues from State sources for current operations are primarily from the Florida Education Finance Program administered by the Florida Department of Education (Department) under the provisions of Section 1011.62, Florida Statutes. In accordance with this law, the District determines and reports the number of full-time equivalent (FTE) students and related data to the Department. The Department performs certain edit checks on the reported number of FTE and related data, and calculates the allocation of funds to the District. The District is permitted to amend its original reporting according to a calendar established by the Department. Such amendments may impact funding allocations for subsequent fiscal years. The Department may also adjust subsequent fiscal period allocations based upon an audit of the District's compliance in determining and reporting FTE and related data. Normally, such adjustments are treated as reductions or additions of revenue in the fiscal year when the adjustments are made.

The State provides financial assistance to administer certain educational programs. State Board of Education (SBE) rules require that revenue earmarked for certain programs be expended only for the program for which the money is provided, and require that the money not expended as of the close of the fiscal year be carried forward into the following fiscal year to be expended for the same educational programs. The Department generally requires that these educational program revenues be accounted for in the General Fund. A portion of the fund balance of the General Fund is restricted in the governmental fund financial statements for the unspent balance of categorical and earmarked educational program resources.

The State allocates gross receipts taxes, generally known as Public Education Capital Outlay, to the District on an annual basis. The District is authorized to expend these funds only upon applying for and receiving an encumbrance authorization from FDOE. A schedule of revenue from State sources for the current fiscal year is presented in a subsequent note.

➤ **District Property Taxes**

The Board is authorized by State law to levy property taxes for District school operations, capital improvements, and debt service.

Property taxes consist of ad valorem taxes on real and personal property within the District. Property values are determined by the Escambia County Property Appraiser, and property taxes are collected by the Escambia County Tax Collector.

The School Board adopted the 2019 tax levy on September 17, 2019. Tax bills are mailed in October and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to 4 percent for early payment.

Taxes become a lien on the property on January 1, and are delinquent on April 1 of the year following the year of assessment. State law provides for enforcement of collection of personal property taxes by seizure of the property to satisfy unpaid taxes, and for enforcement of collection of real property taxes by the sale of interest-bearing tax certificates to satisfy unpaid taxes. The procedures result in the collection of essentially all taxes prior to June 30 of the year following the year of assessment.

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Property tax revenues are recognized in the government-wide financial statements when the Board adopts the tax levy. Property tax revenues are recognized in the governmental fund financial statements when taxes are received by the District, except that revenue is accrued for taxes collected by the Escambia County Tax Collector at fiscal year-end but not yet remitted to the District.

Millages and taxes levied for the current fiscal year are presented in a subsequent note.

➤ **School Capital Outlay Surtax**

On November 4, 2014, the citizens of Escambia County renewed a 0.5 percent school capital outlay sales surtax authorized under Section 212.055(6), Florida Statutes. The surtax was authorized for a period of 10 years, beginning January 1, 2018. Sales tax proceeds are to be used for fixed capital expenditures or fixed capital costs associated with the construction, reconstruction, or improvement of school facilities and campuses which have a useful life expectancy of 5 or more years, and retrofitting and technology implementation and any land acquisition, land improvement, design, and engineering costs related thereto. The 10-year extension will end on December 31, 2027.

➤ **Federal Revenue Sources**

The District receives Federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to, and approved by, various granting agencies. For Federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred.

## **2. BUDGETARY COMPLIANCE AND ACCOUNTABILITY**

The Board follows procedures established by State Statutes and SBE rules in establishing budget balances for governmental funds, as described below:

- Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures and time intervals prescribed by law and SBE rules.
- Appropriations are controlled at the object level (e.g., salaries, purchased services, and capital outlay) within each activity (e.g., instruction, student personnel services, and school administration) and may be amended by resolution at any Board meeting no later than the due date for the annual financial report.
- Budgets are prepared using the same modified accrual basis as is used to account for governmental funds.
- Budgetary information is integrated into the accounting system and, to facilitate budget control, budget balances are encumbered when purchase orders are issued. Appropriations lapse at fiscal year-end and encumbrances outstanding are honored from the subsequent fiscal year's appropriations.

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**3. INVESTMENTS**

As of June 30, 2020, the District has the following investments and maturities:

| Investment                                   | Average<br>Maturities | Fair Value           | Fair Value<br>Measurement |
|----------------------------------------------|-----------------------|----------------------|---------------------------|
| <b>State Board of Administration</b>         |                       |                      |                           |
| Florida PRIME (1)                            |                       |                      |                           |
| Governmental Funds                           | 53 Days               | \$ 418,575           | N/A                       |
| Internal Service Fund                        | 53 Days               | 13,011,289           | N/A                       |
| Debt Service Accounts                        | 6 months              | 25,990               | N/A                       |
| <b>Sales Tax Investment Portfolio</b>        |                       |                      |                           |
| Agency Bonds                                 | 499 Days              | 10,564,226           | Level 2                   |
| Certificates of Deposit                      | 284 Days              | 7,852,069            | Level 2                   |
| Government Bonds                             | 174 Days              | 19,222,940           | Level 2                   |
| Treasury Bills                               | 212 Days              | 3,996,105            | Level 2                   |
| Commercial Paper                             | 75 Days               | 8,989,716            | N/A                       |
| First American Gov Obligations (1)           | 39 Days               | 1,237,705            | N/A                       |
| <b>Florida Fixed Income Trust (FL FIT)</b>   |                       |                      |                           |
| Enhanced Cash Investments                    | 128 Days              | 24,952,994           | N/A                       |
| Cash Pool                                    | 64 Days               | 4,713,583            | N/A                       |
| Cash Pool (Series 2016)                      | 64 Days               | 2,207,621            | N/A                       |
| <b>Total Investments, Primary Government</b> |                       | <u>\$ 97,192,813</u> |                           |

Note: (1) Investments reported as cash equivalents for financial statement reporting purposes.

**GASB Statement No. 72, Fair Value Measurement and Application**

According to GASB Statement No. 72, all assets meeting the definition of an investment should be measured at fair value, except the following:

- Nonparticipating interest earning investment contracts including non-negotiable certificates of deposit
- Investments in unallocated insurance contracts
- Money market investments and participating interest-earning investment contracts that have remaining maturity at time of purchase of 3 months or less
- Investments held by 2a-7 external investment pools
- Investments in 2a-7-like pools
- Fully benefit-responsive synthetic guaranteed investment contracts
- Investments in life insurance contracts not meeting the definition of a life settlement contract

In addition to expanding the definitions of fair value and investments, GASB Statement No. 72 provides requirements for the valuation and disclosure of assets and liabilities reported at fair value. Governments are to use valuation techniques that are appropriate and for which

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sufficient data is available to measure assets and liabilities at fair value. These valuation techniques, which are inputs or data that market participants use in valuing assets and liabilities, should be applied consistently.

The District uses the market approach for fair value measurements.

GASB Statement No. 72 establishes a three-tier fair value hierarchy that prioritizes the inputs based on relative reliability and requiring all assets and liabilities valued at fair value to be categorized each using one of the three hierarchy levels:

- *Level 1 Inputs* – quoted prices in active markets for identical assets or liabilities. Observable markets include exchange markets, dealer markets, brokered markets, and principal-to-principal markets.
- *Level 2 Inputs* – inputs other than quoted prices included within Level 1 that are observable for the asset or liability. These inputs are derived from or corroborated by observable market data through correlation or by other means. Examples: Quoted prices for similar assets or liabilities in active or inactive markets, credit spreads, interest rates and yield curves observable at commonly quoted intervals.
- *Level 3 Inputs* – unobservable inputs used only when relevant Level 1 and Level 2 inputs are unavailable. Examples: Nonbinding quotes on interest rate swaps that cannot be corroborated by observable market data and financial forecasts using internal data for commercial real estate.

#### Interest Rate Risk

- Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In order to provide sufficient liquidity to pay obligations as they become due, the District's investment policy limits the length of investments as follows: (1) investments of current operating funds shall have maturities of no longer than 2 years, and (2) investments of bond reserves, construction funds, and other nonoperating funds shall have a term appropriate for the need for the funds and in accordance with debt covenants, but in no event shall exceed 5 years.
- The District's investments in Florida PRIME, First American Government Obligations Fund, and Commercial Paper (CP) had weighted average maturities (WAMs) of 53 days, 39 days, and 75 days, respectively, at June 30, 2020.
- The District's investments in Agency Bonds and Government Bonds had WAMs of 499 and 174 days, respectively, at June 30, 2020.
- The District's investments in Treasury Bills had a WAM of 212 days.
- Florida Fixed Income Trust (FL FIT) had the following WAM for each portfolio:
  - FL FIT Enhanced Cash Pool – 128 days
  - FL FIT Cash Pool – 64 days

A portfolio's WAM reflects the average maturity in days or years based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the portfolio to interest rate changes.

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- As of June 30, 2020, the District has the following interest rate risk by fund:

| Investment by Fund                                   | Fair Value           | Investment Maturities |                                            |
|------------------------------------------------------|----------------------|-----------------------|--------------------------------------------|
|                                                      |                      | Six Months<br>or Less | Greater than<br>Six Months to<br>Two Years |
| Major Governmental Funds:                            |                      |                       |                                            |
| General                                              | \$ 10,458,657        | \$ 10,458,657         | \$ -                                       |
| Capital Projects - Local Capital Improvement         | 9,771,920            | 9,771,920             | -                                          |
| Capital Projects - Other                             | 63,924,957           | 43,012,451            | 20,912,506                                 |
| Nonmajor Governmental                                | 25,990               | 25,990                | -                                          |
| Proprietary - Internal Service Fund (Self Insurance) | 13,011,289           | 13,011,289            | -                                          |
| Total Investments                                    | <u>\$ 97,192,813</u> | <u>\$ 76,280,307</u>  | <u>\$ 20,912,506</u>                       |

Note: Investments that have stable net asset values (NAVs) are considered cash equivalents for financial statement purposes.

**Credit Risk**

- Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's investment policy limits authorized investments to the SBA Local Government Surplus Funds Trust Fund Investment Pool, which is known as Florida PRIME; direct obligations of the United States Government Agencies; certain Federal Instrumentalities; interest-bearing time deposits or savings accounts in qualified public depositories, as defined in Section 280.02, Florida Statutes; repurchase agreements secured by the collateral composed of negotiable direct obligations of the United States Government, Government Agencies, and Federal Instrumentalities that have a fair value of 102 percent of the value of the repurchase agreement; commercial paper of the highest credit rating; certain Banker's Acceptances; certain highly rated state and local government taxable or tax-exempt debt; shares of open-end, no-load mutual funds registered under the Investment Company Act of 1940, provided that the portfolio invests primarily in short-term government bonds and money market funds operated in accordance with 17 CFR 270.2a-7, provided the funds are rated no lower than the credit rating applied to the United States government by Standard & Poor's, or the equivalent by another rating agency; and any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Section 163.01, Florida Statutes, provided that the said funds contain no derivatives. Investment in any derivative products or the use of reverse repurchase agreements requires specific Board approval.

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As of June 30, 2020, the District's investments are rated as follows:

- The District's investments in First American Government Obligations are rated AAAM by Standard and Poor's (S&P) and Aaa-mf by Moody's Investors Service.
- The District's investments in the SBA Florida PRIME are rated AAAM by S&P.
- The District's investments in Agency Bonds are rated AA+ by S&P and Aaa by Moody's.
- The District's investments in Government Bonds are rated AA+ by S&P and Aaa by Moody's.
- The District's investments in Treasury Bills are rated A-1+ by S&P and P-1 by Moody's.
- The District's investments in Commercial Paper are rated A-1 by S&P and P-1 by Moody's.
- The District's investments in Certificates of Deposit are rated A-1+ by S&P and P-1 by Moody's.
- The District's investments in FL FIT Commercial Paper (Cash) Pool and Enhanced Cash Pool are rated AAAf/S1 and AAAf/S1, respectively, by Fitch Ratings.
- The District's investments in the SBA Debt Service Accounts are to provide for debt service payments on bond debt issued by the SBE for the benefit of the District. The District relies on policies developed by the SBA for managing credit risk for this account.

**Custodial Credit Risk**

- Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the District will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Section 218.415(18), Florida Statutes, requires the District to earmark all investments and 1) if registered with the issuer or its agents, the investment must be immediately placed for safekeeping in a location that protects the governing body's interest in the security; 2) if in book entry form, the investment must be held for the credit of the governing body by a depository chartered by the Federal Government, the State, or any other state or territory of the United States which has a branch or principal place of business in this State, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in this State, and must be kept by the depository in an account separate and apart from the assets of the financial institution; or 3) if physically issued to the holder but not registered with the issuer or its agents, must be immediately placed for safekeeping in a secured vault. The District's investment policy requires that securities shall be held with a third-party custodian; and all securities purchased by and all collateral obtained by the District should be properly designated as an asset of the District. As of June 30, 2020, all investments are held with an appropriate custodian or trustee or are held in accounts in the name of and belonging to the District.

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**DISTRICT SCHOOL BOARD OF  
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All District investments are compliant with District policy in relation to interest rate risk, credit risk, and custodial credit risk.

Concentration of Credit Risk

- Concentration of credit risk is associated with potential loss of assets attributed to the portion of investment in a single issuer or issue size. The District's investment policy has established asset allocation and issuer limits according to the following investment types:  
The Florida Local Government Surplus Funds Trust Fund (Florida PRIME)  
Portfolio Composition: A maximum of 35 percent of available funds may be invested in Florida PRIME.

United States Government Securities

Portfolio Composition: A maximum of 75 percent of available funds may be invested in the United States Government Securities with no more than 10 percent of those funds invested in any one issue size (per CUSIP).

United States Government Agencies

Portfolio Composition: A maximum of 50 percent of available funds may be invested in United States Government agencies.

Limits on Individual Issuers: A maximum of 25 percent of available funds may be invested in individual United States Government agencies with no more than 10 percent of those funds invested in any one issue size (per CUSIP).

Federal Instrumentalities (United States Government sponsored agencies)

Portfolio Composition: A maximum of 50 percent of available funds may be invested in Federal Instrumentalities.

Limits on Individual Issuers: A maximum of 25 percent of available funds may be invested in individual Federal Instrumentality security with no more than 10 percent of those funds invested in any one issue size (per CUSIP).

Interest Bearing Time Deposit or Saving Accounts

Portfolio Composition: A maximum of 25 percent of available funds may be invested in non-negotiable interest bearing time certificates of deposit (CDs).

Limits on Individual Issuers: A maximum of 15 percent of available funds may be deposited with any one CD.

Repurchase Agreements

Portfolio Composition: A maximum of 50 percent of available funds may be invested in repurchase agreements excluding one business day agreements and overnight sweep agreements.

Limits on Individual Issuers: A maximum of 15 percent of available funds may be invested with any one institution.

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**DISTRICT SCHOOL BOARD OF  
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Commercial Paper

Portfolio Composition: A maximum of 35 percent of available funds may be directly invested in prime commercial paper.

Limits on Individual Issuers: A maximum of 10 percent of available funds may be invested in any one issuer with no more than 5 percent of those funds invested in any one issue size.

Registered Investment Companies (Mutual Funds and Money Markets)

Portfolio Composition: A maximum of 20 percent of available funds may be invested in mutual funds (investing in short-term government bonds) and 75 percent of available funds may be invested in money market funds.

Limits on Individual Issuers: A maximum of 20 percent of available funds may be invested with any one mutual fund or money market fund.

Intergovernmental Investment Pool

Portfolio Composition: A maximum of 50 percent of available funds may be invested in intergovernmental investment pools.

Limits on Individual Issuers: A maximum of 25 percent of available funds may be invested with any one intergovernmental investment pool (excludes Florida PRIME).

**4. RECEIVABLES**

The majority of receivables are due from other agencies. These receivables and the remaining accounts receivable are considered to be fully collectible. As such, no allowance for uncollectible receivables is accrued.

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**DISTRICT SCHOOL BOARD OF  
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**5. CHANGES IN CAPITAL ASSETS**

Changes in capital assets are presented in the table below.

|                                                 | Balance<br>7-1-19 | Additions     | Deletions    | Balance<br>6-30-20 |
|-------------------------------------------------|-------------------|---------------|--------------|--------------------|
| GOVERNMENTAL ACTIVITIES                         |                   |               |              |                    |
| Capital Assets Not Being Depreciated:           |                   |               |              |                    |
| Land                                            | \$ 12,637,974     | \$ 307,787    | \$ -         | \$ 12,945,761      |
| Construction in Progress                        | 10,109,843        | 17,032,185    | 6,239,832    | 20,902,196         |
| Total Capital Assets Not Being Depreciated      | 22,747,817        | 17,339,972    | 6,239,832    | 33,847,957         |
| Capital Assets Being Depreciated:               |                   |               |              |                    |
| Improvements Other Than Buildings               | 19,378,144        | 1,536,189     | -            | 20,914,333         |
| Buildings and Fixed Equipment                   | 510,679,145       | 4,136,329     | 59,900       | 514,755,574        |
| Furniture, Fixtures, and Equipment              | 15,382,306        | 1,009,734     | 788,749      | 15,603,291         |
| Motor Vehicles                                  | 52,626,472        | 4,611,876     | 323,065      | 56,915,283         |
| Audio Visual Materials and<br>Computer Software | 9,148,859         | -             | -            | 9,148,859          |
| Total Capital Assets Being Depreciated          | 607,214,926       | 11,294,128    | 1,171,714    | 617,337,340        |
| Less Accumulated Depreciation for:              |                   |               |              |                    |
| Improvements Other Than Buildings               | 12,139,614        | 1,015,210     | -            | 13,154,824         |
| Buildings and Fixed Equipment                   | 180,658,153       | 9,269,818     | 59,804       | 189,868,167        |
| Furniture, Fixtures, and Equipment              | 9,972,293         | 824,129       | 761,261      | 10,035,161         |
| Motor Vehicles                                  | 20,180,257        | 2,734,349     | 323,065      | 22,591,541         |
| Audio Visual Materials and<br>Computer Software | 7,962,953         | 274,512       | -            | 8,237,465          |
| Total Accumulated Depreciation                  | 230,913,270       | 14,118,018    | 1,144,130    | 243,887,158        |
| Total Capital Assets Being Depreciated, Net     | 376,301,656       | (2,823,890)   | 27,584       | 373,450,182        |
| Governmental Activities Capital Assets, Net     | \$ 399,049,473    | \$ 14,516,082 | \$ 6,267,416 | \$ 407,298,139     |

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**DISTRICT SCHOOL BOARD OF  
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Depreciation expense was charged to functions as follows:

| <u>Function</u>                                      | <u>Amount</u>        |
|------------------------------------------------------|----------------------|
| GOVERNMENTAL ACTIVITIES                              |                      |
| Instruction                                          | \$ 8,020,488         |
| Student Support Services                             | 10,084               |
| Instructional Media Services                         | 3,693                |
| Instruction and Curriculum Development Services      | 64,687               |
| Instructional Staff Training Services                | 3,000                |
| Instruction-Related Technology                       | 267,082              |
| General Administration                               | 159                  |
| School Administration                                | 17,891               |
| Facilities Acquisition and Construction              | 2,131,963            |
| Food Services                                        | 368,141              |
| Central Services                                     | 104,147              |
| Student Transportation Services                      | 2,457,236            |
| Operation of Plant                                   | 135,212              |
| Maintenance of Plant                                 | 348,260              |
| Administrative Technology Services                   | 182,218              |
| Community Services                                   | 3,757                |
| Total Depreciation Expense - Governmental Activities | <u>\$ 14,118,018</u> |

**6. SCHOOL DISTRICT LOAN PROGRAM**

In accordance with the School District Loan Program authorized by Chapter 2006-25, Laws of Florida, the District applied for and received an interest-free loan from the Florida Department of Education totaling \$2,571,706, which is included as a liability of the General Fund. The loan enabled the District to meet operating expenses while awaiting resolution of litigation regarding school property taxes for Pensacola Beach property owners. Loan provisions require District personnel to notify the Florida Department of Education within 5 business days after the resolution of the litigation. Repayment of the loan must be made within 20 business days following the resolution of the litigation or the District may submit a repayment plan not to exceed 2 fiscal years.

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**DISTRICT SCHOOL BOARD OF  
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**7. CERTIFICATES OF PARTICIPATION**

The District entered into financing arrangements, characterized as lease purchase agreements, with the Florida School Boards Association, Inc., whereby the District secured financing of various educational facilities. The financing was accomplished through the issuance of Certificates of Participation to be repaid from the proceeds of rents paid by the District. The following schedule describes the current status of the principal balances of these issues at June 30, 2020:

| Issue         | Original              | Principal            |                       | Refunded         | Balance             |
|---------------|-----------------------|----------------------|-----------------------|------------------|---------------------|
|               | Amount                | Paid                 | Refunded              | By Series        | 6-30-20             |
| Series 1992   | \$ 55,830,000         | \$ 15,030,000        | \$ 40,800,000         | 1996-1, 2002     | \$ -                |
| Series 1996-1 | 26,740,000            | 6,485,000            | 20,255,000            | 2005, 2006, 2011 | -                   |
| Series 1996-2 | 21,645,000            | -                    | 21,645,000            | 2004             | -                   |
| Series 2002   | 16,745,000            | 16,745,000           | -                     |                  | -                   |
| Series 2004   | 22,725,000            | 885,000              | 21,840,000            | 2014             | -                   |
| Series 2005   | 10,000,000            | 10,000,000           | -                     |                  | -                   |
| Series 2006   | 10,000,000            | 10,000,000           | -                     |                  | -                   |
| Series 2011   | 1,124,561             | 1,124,561            | -                     |                  | -                   |
| Series 2014   | 19,840,000            | 10,635,000           | -                     |                  | 9,205,000           |
|               | <u>\$ 184,649,561</u> | <u>\$ 70,904,561</u> | <u>\$ 104,540,000</u> |                  | <u>\$ 9,205,000</u> |

As a condition of the financing arrangements, the District has given ground leases on District property to the Florida School Boards Association, Inc. The ground leases on the property associated with the Series 1992, 1996-1, 2002, 2005, 2006, and 2011 Certificates ended on the earlier of (a) the date on which the Series 1996-1, 2005, 2006, and 2011 Certificates, and any Certificates of Participation refunding such Certificates, have been paid in full, or provision for their payment has been made, or (b) June 30, 2028. The ground leases on the property associated with the Series 1996-2, 2004, and 2014 Certificates end on the earlier of (a) the date on which the series of Certificates has been paid in full, or (b) June 30, 2022. The properties covered by the ground leases are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the leases and to provide for the rent payments through to term, the District may be required to surrender the sites included under the ground lease agreements for the benefit of the securers of the Certificates until the end of the ground leases.

The District properties included in the ground leases under these arrangements include the following:

Certificates of Participation Series 1992, 1996-1, 2002, 2005, 2006, and 2011:

- Hellen Caro Elementary School
- C.A. Weis Elementary School
- R.C. Lipscomb Elementary School
- Jim Allen Elementary School – Administrative Suite/Media Center
- Bellview Elementary School – Classroom Building

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**DISTRICT SCHOOL BOARD OF  
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- Cordova Park Elementary School – Five Classroom Additions/Media Center
- Escambia Westgate Center – Pre-Kindergarten Classroom Renovation
- Holm Elementary School – Classrooms/Media Center
- Myrtle Grove Elementary School – Classroom Addition
- Navy Point Elementary School – Classroom Addition/Administrative Suite
- Pine Meadow Elementary School – Media Center/Kindergarten Classrooms/Administrative Suite
- Pleasant Grove Elementary School – Dining/Classroom Addition/Administrative Suite
- Scenic Heights Elementary School – Pre-Kindergarten Classrooms/Media Center
- Sherwood Elementary School – Pre-Kindergarten Classrooms/Media Center
- Jim C. Bailey Middle School
- Northview High School
- West Florida School of Advanced Technology (the portion formerly known as Beggs Educational Center and used primarily for instructional purposes)
- Tate High School – Physical Education Facility

Certificates of Participation Series 1996-2, 2004, and 2014:

- N.B. Cook Elementary School
- Tate High School – Cafeteria/Media Center Addition and Renovation/ESE/ROTC Classroom Building
- Myrtle Grove Elementary School – Media Center/Classroom Building Renovation
- Navy Point Elementary School – ESE Classroom Building
- Ferry Pass Middle School – ESE Classroom Building

The lease payments are payable by the District, semiannually, on August 1 and February 1 at the interest rate of 5 percent. The following is a schedule by years of future minimum lease payments under the lease agreements, together with the present value of minimum lease payments as of June 30, 2020:

| <u>Fiscal Year Ending June 30</u>   | <u>Total</u>         | <u>Principal</u>    | <u>Interest</u>   |
|-------------------------------------|----------------------|---------------------|-------------------|
| 2021                                | \$ 4,838,000         | \$ 4,490,000        | \$ 348,000        |
| 2022                                | 4,832,875            | 4,715,000           | 117,875           |
| Total Minimum Lease Payments        | 9,670,875            | 9,205,000           | 465,875           |
| Unamortized Premium                 | 715,811              | 715,811             | -                 |
| Total Certificates of Participation | <u>\$ 10,386,686</u> | <u>\$ 9,920,811</u> | <u>\$ 465,875</u> |

In February 2020, the School Board established, through resolution, its intent to issue Series 2020A, Certificates of Participation. The Certificates will provide new construction proceeds to

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**DISTRICT SCHOOL BOARD OF  
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replace the current Pleasant Grove Elementary School. The current facility is located near the area of Sherman Field on board Naval Air Station Pensacola. Due to the age and condition of the physical plant, and its location in relation to the flight path of Naval aircraft, the school will be relocated to another nearby area. The Certificates will provide approximately \$44.7 million in construction proceeds with building construction to begin in the fall of 2020.

**8. BONDS PAYABLE**

SBE Bonds payable at June 30, 2020, are as follows:

| Bond Type                 | Original Debt<br>Issue Amount | Amount<br>Outstanding | Interest<br>Rates<br>(Percent) | Annual<br>Maturity<br>To |
|---------------------------|-------------------------------|-----------------------|--------------------------------|--------------------------|
| State School Bonds:       |                               |                       |                                |                          |
| Series 2011A (Refunding)  | \$ 2,625,000                  | \$ 195,000            | 3-5                            | 2023                     |
| Series 2014A (Refunding)  | 229,000                       | 117,000               | 3-5                            | 2025                     |
| Series 2017A (Refunding)  | 812,000                       | 698,000               | 3-5                            | 2028                     |
| Series 2020A (Refunding)  | 126,000                       | 126,000               | 2-5                            | 2030                     |
| Subtotal                  | 3,792,000                     | 1,136,000             |                                |                          |
| Unamortized Premiums, Net | 440,398                       | 150,322               |                                |                          |
| Total Bonds Payable       | <u>\$ 4,232,398</u>           | <u>\$ 1,286,322</u>   |                                |                          |

The various bonds were issued to finance capital outlay projects of the District. The following is a description of the bonded debt issues:

**State School Bonds**

These bonds are issued by the SBE on behalf of the District. The bonds mature serially, and are secured by a pledge of the District's portion of the State-assessed motor vehicle license tax. The total revenues received in the current fiscal year were \$1,662,132, all of which was applicable to debt service. Principal and interest payments, investment of Debt Service Fund resources, and compliance with reserve requirements are administered by the SBE and the SBA.

On January 14, 2020, SBE Capital Outlay Bonds, 2020 Series A, were delivered to refund callable portions of SBE Capital Outlay Bonds, 2010 Series A. These refunding bonds were issued to reduce total debt service. Premium on the refunding totaled \$24,818.

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**DISTRICT SCHOOL BOARD OF  
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Annual requirements to amortize all bonded debt outstanding as of June 30, 2020, are as follows:

| <u>Fiscal Year Ending June 30</u> | <u>Total</u>        | <u>Principal</u>    | <u>Interest</u>   |
|-----------------------------------|---------------------|---------------------|-------------------|
| State School Bonds:               |                     |                     |                   |
| 2021                              | \$ 210,285          | \$ 159,000          | \$ 51,285         |
| 2022                              | 215,400             | 172,000             | 43,400            |
| 2023                              | 222,100             | 186,000             | 36,100            |
| 2024                              | 152,530             | 124,000             | 28,530            |
| 2025                              | 132,330             | 110,000             | 22,330            |
| 2026-2030                         | 421,470             | 385,000             | 36,470            |
| Subtotal                          | 1,354,115           | 1,136,000           | 218,115           |
| Unamortized Premiums, Net         | 150,322             | 150,322             | -                 |
| Total Bonds Payable               | <u>\$ 1,504,437</u> | <u>\$ 1,286,322</u> | <u>\$ 218,115</u> |

**Sales Tax Revenue Bonds**

In November 2014, the voters of Escambia County approved a 10-year extension to the District's one-half cent sales surtax for capital outlay. The extension began on January 1, 2018, and will end on December 31, 2027. Accordingly, in order to provide financing for the construction of a new middle school and improvements to several other of the various schools, the Board issued Sales Tax Revenue Bonds, Series 2016 in the amount of \$51,910,000.

These bonds are authorized by Chapters 212 and 1001, Florida Statutes. The principal and interest on the Series 2016 Bonds are payable solely from and secured by the proceeds received by the Board from the levy and collection of the one-half cent sales surtax pursuant to Section 212.055(6), Florida Statutes. The District pledged a total of \$67,969,815 for principal and interest on the original issue during the 2015-16 fiscal year. Due to payments for normal debt service requirements, the total pledged at June 30, 2020, for principal and interest was \$46,006,800. Final debt service requirements on this bond issue will be paid on September 1, 2027. Assuming a nominal growth rate in the collection of sales tax revenues through December 2027, approximately 19.3 percent of this revenue stream has been pledged in connection with debt service on the bonds.

During the 2019-20 fiscal year, the District recognized sales tax revenues totaling \$28,259,025 and expended \$5,780,500 (20.5 percent) of these revenues for debt service directly collateralized by these revenues.

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**DISTRICT SCHOOL BOARD OF  
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Series 2016 Bonds payable at June 30, 2020, are as follows:

| Bond Type                 | Original Debt<br>Issue Amount | Amount<br>Outstanding | Interest<br>Rates<br>(Percent) | Annual<br>Maturity<br>To |
|---------------------------|-------------------------------|-----------------------|--------------------------------|--------------------------|
| Sales Tax Revenue Bonds:  |                               |                       |                                |                          |
| Series 2016               | \$ 51,910,000                 | \$ 38,365,000         | 5                              | 2028                     |
| Unamortized Premiums, Net | <u>8,641,751</u>              | <u>5,761,167</u>      |                                |                          |
| Total Bonds Payable       | <u>\$ 60,551,751</u>          | <u>\$ 44,126,167</u>  |                                |                          |

The following is a schedule by years of the future annual debt service of the Series 2016 Bonds at June 30, 2020:

| Fiscal Year Ending June 30 | Total                | Principal            | Interest            |
|----------------------------|----------------------|----------------------|---------------------|
| Sales Tax Revenue Bonds:   |                      |                      |                     |
| 2021                       | \$ 5,789,800         | \$ 4,105,000         | \$ 1,684,800        |
| 2022                       | 5,769,250            | 4,250,000            | 1,519,250           |
| 2023                       | 5,749,625            | 4,435,000            | 1,314,625           |
| 2024                       | 5,742,375            | 4,655,000            | 1,087,375           |
| 2025                       | 5,738,750            | 4,890,000            | 848,750             |
| 2026-2028                  | <u>17,217,000</u>    | <u>16,030,000</u>    | <u>1,187,000</u>    |
| Subtotal                   | 46,006,800           | 38,365,000           | 7,641,800           |
| Unamortized Premiums, Net  | <u>5,761,167</u>     | <u>5,761,167</u>     | <u>-</u>            |
| Total Bonds Payable        | <u>\$ 51,767,967</u> | <u>\$ 44,126,167</u> | <u>\$ 7,641,800</u> |

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**DISTRICT SCHOOL BOARD OF  
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**9. CHANGES IN LONG-TERM LIABILITIES**

The following is a summary of changes in long-term liabilities:

| Description                                 | Balance<br>7-1-19     | Additions             | Deductions            | Balance<br>6-30-20    | Due in<br>One Year   |
|---------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|
| <b>GOVERNMENTAL ACTIVITIES</b>              |                       |                       |                       |                       |                      |
| SBE Bonds Payable                           | \$ 1,318,000          | \$ 126,000            | \$ 308,000            | \$ 1,136,000          | \$ 159,000           |
| Unamortized Premiums, Net                   | 187,285               | 24,818                | 61,781                | 150,322               | -                    |
| Total SBE Bonds Payable                     | <u>1,505,285</u>      | <u>150,818</u>        | <u>369,781</u>        | <u>1,286,322</u>      | <u>159,000</u>       |
| Sales Tax Revenue Bonds Payable             | 42,310,000            | -                     | 3,945,000             | 38,365,000            | 4,105,000            |
| Unamortized Premiums, Net                   | 6,481,313             | -                     | 720,146               | 5,761,167             | -                    |
| Total Sales Tax Revenue Bonds Payable       | <u>48,791,313</u>     | <u>-</u>              | <u>4,665,146</u>      | <u>44,126,167</u>     | <u>4,105,000</u>     |
| Certificates of Participation Payable       | 13,475,000            | -                     | 4,270,000             | 9,205,000             | 4,490,000            |
| Unamortized Premium                         | 1,073,717             | -                     | 357,906               | 715,811               | -                    |
| Total Certificates of Participation Payable | <u>14,548,717</u>     | <u>-</u>              | <u>4,627,906</u>      | <u>9,920,811</u>      | <u>4,490,000</u>     |
| Estimated Insurance Claims Payable          | 28,971,591            | 36,326,841            | 38,666,275            | 26,632,157            | 6,898,665            |
| Compensated Absences Payable                | 40,091,987            | 5,129,273             | 4,316,992             | 40,904,268            | 4,072,076            |
| Net Pension Liability                       | 206,221,638           | 85,946,277            | 68,318,184            | 223,849,731           | 1,183,410            |
| Other Postemployment Benefits Payable       | 12,257,643            | 2,526,601             | 1,793,597             | 12,990,647            | -                    |
| Total Governmental Activities               | <u>\$ 352,388,174</u> | <u>\$ 130,079,810</u> | <u>\$ 122,757,881</u> | <u>\$ 359,710,103</u> | <u>\$ 20,908,151</u> |

For the governmental activities, net pension liabilities, compensated absences and other postemployment benefits are generally liquidated with resources of the General Fund. The estimated insurance claims are generally liquidated with resources of the internal service funds.

**10. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The following is a summary of interfund receivables and payables reported in the fund financial statements:

| Funds                                    | Interfund           |                     |
|------------------------------------------|---------------------|---------------------|
|                                          | Receivables         | Payables            |
| Major:                                   |                     |                     |
| General                                  | \$ 6,313,845        | \$ -                |
| Special Revenue - Other Federal Programs | -                   | 6,280,972           |
| Capital Projects - Other                 | -                   | 24                  |
| Nonmajor Governmental                    | 12,905              | 54,659              |
| Internal Service                         | <u>8,905</u>        | <u>-</u>            |
| Total                                    | <u>\$ 6,335,655</u> | <u>\$ 6,335,655</u> |

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**DISTRICT SCHOOL BOARD OF  
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The interfund receivables and payables represent the payment of expenditures by one fund for another fund and will be repaid within 12 months. The amounts above do not include the school activity funds.

The following is a summary of interfund transfers reported in the fund financial statements:

| Funds                                        | Interfund            |                      |
|----------------------------------------------|----------------------|----------------------|
|                                              | Transfers In         | Transfers Out        |
| Major:                                       |                      |                      |
| General                                      | \$ 7,302,152         | \$ -                 |
| Capital Projects - Local Capital Improvement | -                    | 11,534,639           |
| Capital Projects - Other                     | -                    | 6,154,888            |
| Nonmajor Governmental                        | 10,387,375           | -                    |
| Total                                        | <u>\$ 17,689,527</u> | <u>\$ 17,689,527</u> |

Transfers among funds were as follows: (1) Capital Outlay funds were transferred to the General Fund to cover eligible maintenance operational costs, payment of property insurance premiums, charter school capital outlay distributions and, (2) Capital Outlay funds were transferred to Debt Service (nonmajor) funds to provide for debt service requirements for Sales Tax Revenue Bonds and Certificates of Participation.

## 11. FUND BALANCE REPORTING

The District does not have a fund balance policy regarding the commitment or assignment of fund balance. However, Section 1001.51, Florida Statutes, requires the Superintendent or designee to prepare the Annual Financial Report, including the Comprehensive Annual Financial Report, in accordance with generally accepted accounting principles, including the statements issued by the GASB. The Board approves the assigned fund balance.

The District reports its governmental fund balances in the following categories, as applicable:

- **Nonspendable.** The net current financial resources that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Generally, not in spendable form means that an item is not expected to be converted to cash. Examples of items that are not in spendable form include inventory, prepaid amounts, long-term amounts of loans and notes receivable, and property acquired for resale. The District classifies its amounts reported as inventories as nonspendable.
- **Restricted.** The portion of fund balance on which constraints have been placed by creditors, grantors, contributors, laws or regulations of other governments, constitutional provisions, or enabling legislation. Restricted fund balance places the most binding level of constraint on the use of fund balance. The District classifies most of its fund balances, other than General Fund, as restricted, as well as unspent State categorical and earmarked educational funding reported in the General Fund, that are legally or otherwise restricted.
- **Committed.** The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the highest level of decision-making

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authority (i.e., the Board). Generally, such formal action by the Board would be in the form of a resolution or Board policy. These amounts cannot be used for any other purpose, unless the Board removes or changes the specified use by taking the same action it employed to previously commit the amounts. The District did not have any committed fund balances at June 30, 2020.

- **Assigned.** The portion of fund balance that is intended to be used for specific purposes, but is neither restricted nor committed. Assigned amounts include those that have been set aside for specific purposes, such as allocated school-based funds, specific reserves for projects and contingencies, and other designated uses. Constraints imposed for assigned fund balances do not satisfy the criteria to be classified as restricted or committed. This category also includes any remaining positive amounts, for governmental funds, other than the General Fund, not classified as nonspendable, restricted, or committed. The District also classifies amounts as assigned that are constrained to be used for specific purposes based on actions of the Superintendent and Assistant Superintendent for Finance and Business Services and not included in other categories. The District has determined a total assigned fund balance of \$22,296,996 consisting of the following: encumbered local project carryovers totaling \$1,740,350; unencumbered local project carryovers totaling \$12,876,622 and local project contingencies of \$7,680,024.
- **Unassigned.** The portion of fund balance that is the residual classification for the General Fund. This balance represents amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned for specific purposes. Unassigned fund balance totaled \$6,248,556 at June 30, 2020.

**General Fund Minimum Fund Balance Requirement.** Section 1011.051, Florida Statutes, requires that the District maintain a fund balance in the General Fund that is sufficient to address normal contingencies, and the Superintendent shall provide written notification to the Board and the Commissioner of Education if, at any time, the fund balance in the General Fund not classified as restricted, committed, or nonspendable in the approved operating budget is projected to fall below 3 percent of projected General Fund revenues. If the fund balance in the General Fund not classified as restricted, committed, or nonspendable is projected to fall below 2 percent of projected General Fund revenues, the Commissioner must determine whether the District has a plan to avoid a financial emergency, as determined pursuant to Section 218.503, Florida Statutes, or to appoint a financial emergency board operating consistent with the requirements, powers, and duties specified in Section 218.503(3)(g), Florida Statutes. The District has adopted Board policy 5.01 to maintain an assigned/unassigned fund balance ratio in the General Fund of at least 3.5 percent of general fund revenue to comply with the intent of Section 1011.051, Florida Statutes.

As of June 30, 2020, the assigned and unassigned fund balance in the General Fund totaled \$28,545,552 (9.1 percent of General Fund revenues).

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**12. SIGNIFICANT COMMITMENTS**

**Encumbrances.** Appropriations in governmental funds are encumbered upon issuance of purchase orders for goods and services. Even though appropriations lapse at the end of the fiscal year, unfilled purchase orders of the current fiscal year are carried forward and the next fiscal year's appropriations are likewise encumbered.

The following is a schedule of encumbrances at June 30, 2020:

| Major Funds         |                                                |                                                    |                             | Nonmajor              | Total                 |
|---------------------|------------------------------------------------|----------------------------------------------------|-----------------------------|-----------------------|-----------------------|
| General             | Special Revenue -<br>Other Federal<br>Programs | Capital Projects -<br>Local Capital<br>Improvement | Capital Projects -<br>Other | Governmental<br>Funds | Governmental<br>Funds |
| <u>\$ 3,220,133</u> | <u>\$ 460,595</u>                              | <u>\$ 1,770,282</u>                                | <u>\$ 19,369,674</u>        | <u>\$ 542,264</u>     | <u>\$ 25,362,948</u>  |

**Construction Contracts.** The following is a summary of major construction contract commitments remaining at fiscal year-end:

| Project                                             | Contract<br>Amount   | Completed<br>to Date | Balance<br>Committed |
|-----------------------------------------------------|----------------------|----------------------|----------------------|
| Districtwide Projects:                              |                      |                      |                      |
| Roofing Projects                                    | \$ 1,153,728         | \$ 732,296           | \$ 421,432           |
| Mechanical and Life Safety Systems                  | 3,300,042            | 1,677,647            | 1,622,395            |
| School Specific Projects:                           |                      |                      |                      |
| New Construction - Pleasant Grove Elementary School | 10,234,711           | 2,856,453            | 7,378,258            |
| West Florida High School - Conversion               | 7,987,181            | 7,534,573            | 452,608              |
| Pensacola High School - Bus Ramp/Tennis Courts      | 1,070,763            | 655,891              | 414,872              |
| Brown Barge Middle School - New Gym and Track       | 3,455,479            | 2,930,374            | 525,105              |
| Tate High School - Agriscience Building             | 560,171              | -                    | 560,171              |
| Escambia Westgate School - Adaptable Play Facility  | 3,483,752            | 1,073,644            | 2,410,108            |
| Longleaf Elementary School - Covered Play Area      | 1,489,042            | 67,110               | 1,421,932            |
| Beulah Elementary School - Covered Play Area        | 1,413,047            | 80,514               | 1,332,533            |
| Pine Meadow Elementary School - Covered Play Area   | 1,352,347            | 78,141               | 1,274,206            |
| Total                                               | <u>\$ 35,500,263</u> | <u>\$ 17,686,643</u> | <u>\$ 17,813,620</u> |

Total other construction contract commitments (individually below \$250,000) amounted to \$466,596 at June 30, 2020.

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**13. SCHEDULE OF STATE REVENUE SOURCES**

The following is a schedule of the District's State revenue for the 2019-20 fiscal year:

| <u>Source</u>                                               | <u>Amount</u>                |
|-------------------------------------------------------------|------------------------------|
| Florida Education Finance Program                           | \$ 158,121,503               |
| Categorical Educational Program - Class Size Reduction      | 42,475,573                   |
| Workforce Development Program                               | 4,052,637                    |
| Motor Vehicle License Tax (Capital Outlay and Debt Service) | 1,662,132                    |
| School Recognition                                          | 1,604,518                    |
| Voluntary Pre-K Program                                     | 1,080,533                    |
| Educational Facilities School Security Grant                | 697,641                      |
| Racing Commission Funds                                     | 446,500                      |
| Charter School Capital Outlay                               | 374,388                      |
| Workforce Training Grant                                    | 337,649                      |
| Food Service Supplement                                     | 280,072                      |
| Florida Student Assistance Grant                            | 84,430                       |
| Law Enforcement Training                                    | 70,440                       |
| Learning for Life                                           | 60,000                       |
| State License Tax                                           | 55,287                       |
| Youth Mental Health Awareness Training                      | 54,353                       |
| Discretionary Lottery                                       | 39,797                       |
| Miscellaneous                                               | 274,056                      |
| Total                                                       | <u><u>\$ 211,771,509</u></u> |

Accounting policies relating to certain state revenue sources are described in Note 1.

**14. PROPERTY TAXES**

The following is a summary of millages and taxes levied on the 2019 tax roll for the 2019-20 fiscal year:

| <u>GENERAL FUND</u>           | <u>Millages</u>     | <u>Taxes Levied</u>          |
|-------------------------------|---------------------|------------------------------|
| Nonvoted School Tax:          |                     |                              |
| Required Local Effort         | 3.944               | \$ 80,612,745                |
| Discretionary Local Effort    | 0.748               | 15,288,624                   |
| <u>CAPITAL PROJECTS FUNDS</u> |                     |                              |
| Nonvoted Tax:                 |                     |                              |
| Local Capital Improvement     | 1.351               | 27,613,544                   |
| Total                         | <u><u>6.043</u></u> | <u><u>\$ 123,514,913</u></u> |

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**15. FLORIDA RETIREMENT SYSTEM**

**Pensions.** In the government-wide statement of net position, liabilities are recognized for the District's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) defined benefit plan and the Health Insurance Subsidy (HIS) defined benefit plan and additions to/deductions from the FRS's and the HIS's fiduciary net position have been determined on the same basis as they are reported by the FRS and the HIS plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms.

**Governmental Accounting Standards Board Statement No. 68.** The District participates in the FRS defined benefit pension plan and the HIS defined benefit plan administered by Florida Division of Retirement. As a participating employer, the District implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, for the fiscal year ended June 30, 2015, which requires employers participating in cost-sharing multiple-employer defined benefit pension plans to report the employers' proportionate share of the net pension liabilities and related pension amounts of the defined benefit pension plans. The District's proportionate share of the net pension liabilities at June 30, 2020, totaled \$223,849,731.

**General Information about the FRS.**

The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree HIS Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the District are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site ([www.dms.myflorida.com](http://www.dms.myflorida.com)).

The District's total pension expense was \$40,991,783 for the fiscal year ended June 30, 2020.

**FRS Pension Plan**

**Plan Description.** The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a DROP for eligible employees. The general classes of membership are as follows:

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- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.

Employees enrolled in the Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Members of the Plan may include up to 4 years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with a participating FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided. Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value for each year of service credit earned:

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| <u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>           | <u>% Value</u> |
|---------------------------------------------------------------------------------|----------------|
| <b><i>Regular Class members initially enrolled before July 1, 2011</i></b>      |                |
| Retirement up to age 62 or up to 30 years of service                            | 1.60           |
| Retirement at age 63 or with 31 years of service                                | 1.63           |
| Retirement at age 64 or with 32 years of service                                | 1.65           |
| Retirement at age 65 or with 33 or more years of service                        | 1.68           |
| <b><i>Regular Class members initially enrolled on or after July 1, 2011</i></b> |                |
| Retirement up to age 65 or up to 33 years of service                            | 1.60           |
| Retirement at age 66 or with 34 years of service                                | 1.63           |
| Retirement at age 67 or with 35 years of service                                | 1.65           |
| Retirement at age 68 or with 36 or more years of service                        | 1.68           |
| <b><i>Elected County Officers</i></b>                                           | 3.00           |

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

*Contributions.* The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2019-20 fiscal year were as follows:

| <u>Class</u>                          | <u>Percent of Gross Salary</u> |                     |
|---------------------------------------|--------------------------------|---------------------|
|                                       | <u>Employee</u>                | <u>Employer (1)</u> |
| FRS, Regular                          | 3.00                           | 8.47                |
| FRS, Elected County Officers          | 3.00                           | 48.82               |
| DROP - Applicable to                  |                                |                     |
| Members from All of the Above Classes | 0.00                           | 14.60               |
| FRS, Reemployed Retiree               | (2)                            | (2)                 |

Notes: (1) Employer rates include 1.66 percent for the postemployment health insurance subsidy. Also, employer rates, other than for DROP participants, include 0.06 percent for administrative costs of the Investment Plan.

(2) Contribution rates are dependent upon retirement class in which reemployed.

The District's contributions (not including employee contributions) to the Plan for the fiscal year ended June 30, 2020 totaled \$14,549,031 which was equal to the required contributions for the fiscal year.

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Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2020, the District reported a liability of \$154,102,523 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The District's proportionate share of the net pension liability was based on the District's 2018-19 fiscal year contributions relative to the 2018-19 fiscal year contributions of all participating members.

At June 30, 2019, the District's proportionate share was 0.447470245 percent, which was 0.013237082 less than the proportionate share measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the District recognized pension expense of \$36,149,402 related to the Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| <u>Description</u>                                                                                                | <u>Deferred Outflows<br/>of Resources</u> | <u>Deferred Inflows<br/>of Resources</u> |
|-------------------------------------------------------------------------------------------------------------------|-------------------------------------------|------------------------------------------|
| Differences between expected and actual experience                                                                | \$ 9,140,261                              | \$ 95,635                                |
| Change of assumptions                                                                                             | 39,580,158                                | -                                        |
| Net difference between projected and actual earnings on FRS pension plan investments                              | -                                         | 8,525,756                                |
| Changes in proportion and differences between District FRS contributions and proportionate share of contributions | 103,293                                   | 7,059,084                                |
| District FRS contributions subsequent to the measurement date                                                     | 14,549,031                                | -                                        |
| <b>Total</b>                                                                                                      | <u><u>\$ 63,372,743</u></u>               | <u><u>\$ 15,680,475</u></u>              |

The deferred outflows of resources related to pensions, totaling \$14,549,031, resulting from District contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

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| Fiscal Year Ending June 30 | Amount               |
|----------------------------|----------------------|
| 2021                       | \$ 12,722,987        |
| 2022                       | 2,477,168            |
| 2023                       | 9,091,203            |
| 2024                       | 7,015,562            |
| 2025                       | 1,490,331            |
| Thereafter                 | 345,986              |
| Total                      | <u>\$ 33,143,237</u> |

Actuarial Assumptions. The total pension liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

|                           |                                                                              |
|---------------------------|------------------------------------------------------------------------------|
| Inflation                 | 2.60 percent                                                                 |
| Salary Increases          | 3.25 percent, average, including inflation                                   |
| Investment rate of return | 6.90 percent, net of pension plan investment expense,<br>including inflation |

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018.

The actuarial assumptions used in the July 1, 2019, valuation were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

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| <b>Asset Class</b>       | <b>Target<br/>Allocation (1)</b> | <b>Annual<br/>Arithmetic<br/>Return</b> | <b>Compound<br/>Annual<br/>(Geometric)<br/>Return</b> | <b>Standard<br/>Deviation</b> |
|--------------------------|----------------------------------|-----------------------------------------|-------------------------------------------------------|-------------------------------|
| Cash                     | 1.0%                             | 3.3%                                    | 3.3%                                                  | 1.2%                          |
| Fixed Income             | 18.0%                            | 4.1%                                    | 4.1%                                                  | 3.5%                          |
| Global Equity            | 54.0%                            | 8.0%                                    | 6.8%                                                  | 16.5%                         |
| Real Estate (Property)   | 10.0%                            | 6.7%                                    | 6.1%                                                  | 11.7%                         |
| Private Equity           | 11.0%                            | 11.2%                                   | 8.4%                                                  | 25.8%                         |
| Strategic Investments    | 6.0%                             | 5.9%                                    | 5.7%                                                  | 6.7%                          |
| <b>Total</b>             | <b>100.0%</b>                    |                                         |                                                       |                               |
| Assumed inflation - Mean |                                  |                                         | 2.6%                                                  | 1.7%                          |

Note: (1) As outlined in the Plan's investment policy

**Discount Rate.** The discount rate used to measure the total pension liability was 6.9 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The discount rate used in the 2019 valuation was updated from 7.0 percent to 6.9 percent.

**Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.** The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.9 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.9 percent) or 1 percentage point higher (7.9 percent) than the current rate:

|                                                                | <b>1%<br/>Decrease<br/>(5.9%)</b> | <b>Current<br/>Discount Rate<br/>(6.9%)</b> | <b>1%<br/>Increase<br/>(7.9%)</b> |
|----------------------------------------------------------------|-----------------------------------|---------------------------------------------|-----------------------------------|
| District's proportionate share of<br>the net pension liability | \$ 266,391,945                    | \$ 154,102,523                              | \$ 60,321,861                     |

**Pension Plan Fiduciary Net Position.** Detailed information about the Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

**Payables to the Pension Plan.** At June 30, 2020, the District reported a payable of \$55,241 for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2020.

**HIS Pension Plan**

**Plan Description.** The HIS Pension Plan (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Division of Retirement within the Florida Department of Management Services.

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*Benefits Provided.* For the fiscal year ended June 30, 2020, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

*Contributions.* The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2020, the contribution rate was 1.66 percent of payroll pursuant to Section 112.363, Florida Statutes. The District contributed 100 percent of its statutorily required contributions for the current and preceding 3 years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The District's contributions to the HIS Plan totaled \$3,566,493 for the fiscal year ended June 30, 2020.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* At June 30, 2020, the District reported a net pension liability of \$69,747,208 for its proportionate share of the HIS Plan's net pension liability. The current portion of the net pension liability is the District's proportionate share of benefit payments expected to be paid within 1 year, net of the District's proportionate share of the HIS Plan's fiduciary net position available to pay that amount. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018, and update procedures were used to determine the net pension liability as of June 30, 2019. The District's proportionate share of the net pension liability was based on the District's 2018-19 fiscal year contributions relative to the total 2018-19 fiscal year contributions of all participating members. At June 30, 2019, the District's proportionate share was 0.623355193 percent, which was a decrease of 0.013960452 from its proportionate share measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the District recognized pension expense of \$4,842,381 related to the HIS Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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| <u>Description</u>                                                                                                          | <u>Deferred Outflows<br/>of Resources</u> | <u>Deferred Inflows<br/>of Resources</u> |
|-----------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|------------------------------------------|
| Differences between expected<br>and actual experience                                                                       | \$ 847,158                                | \$ 85,403                                |
| Change of assumptions                                                                                                       | 8,076,068                                 | 5,700,568                                |
| Net difference between projected and actual<br>earnings on HIS pension plan investments                                     | 45,007                                    | -                                        |
| Changes in proportion and differences between<br>District HIS contributions and proportionate<br>share of HIS contributions | 467,215                                   | 3,860,415                                |
| District contributions subsequent to the<br>measurement date                                                                | 3,566,493                                 | -                                        |
| <b>Total</b>                                                                                                                | <b>\$ 13,001,941</b>                      | <b>\$ 9,646,386</b>                      |

The deferred outflows of resources related to pensions, totaling \$3,566,493, resulting from District contributions to the HIS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| <b>Fiscal Year Ending June 30</b> | <b>Amount</b>       |
|-----------------------------------|---------------------|
| 2021                              | \$ 849,152          |
| 2022                              | 499,673             |
| 2023                              | (118,379)           |
| 2024                              | (1,184,366)         |
| 2025                              | (458,985)           |
| Thereafter                        | 201,967             |
| <b>Total</b>                      | <b>\$ (210,938)</b> |

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Actuarial Assumptions. The total pension liability in the July 1, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

|                     |                                            |
|---------------------|--------------------------------------------|
| Inflation           | 2.60 percent                               |
| Salary Increases    | 3.25 percent, average, including inflation |
| Discount Rate       | 3.50 percent                               |
| Municipal Bond Rate | 3.50 percent                               |

Mortality rates were based on the Generational RP-2000 with Projected Scale BB

Discount Rate. The discount rate used to measure the total pension liability was 3.50 percent. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index. The discount rate used in the 2019 valuation was updated from 3.87 percent to 3.50 percent.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 3.50 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.50 percent) or 1 percentage point higher (4.50 percent) than the current rate:

|                                                                | 1%<br>Decrease<br>(2.50%) | Current<br>Discount Rate<br>(3.50%) | 1%<br>Increase<br>(4.50%) |
|----------------------------------------------------------------|---------------------------|-------------------------------------|---------------------------|
| District's proportionate share of<br>the net pension liability | \$ 79,620,014             | \$ 69,747,208                       | \$ 61,524,279             |

Pension Plan Fiduciary Net Position. Detailed information about the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

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**FRS/HIS Pension Plan - Aggregate**

The aggregate amount of net pension liabilities, related deferred outflows of resources, deferred inflows of resources, and pension expense for the District's defined pension plans are summarized below:

|                                | <u>Pension Plan</u> | <u>HIS Plan</u> | <u>Total</u>   |
|--------------------------------|---------------------|-----------------|----------------|
| Net Pension Liabilities        | \$ 154,102,523      | \$ 69,747,208   | \$ 223,849,731 |
| Deferred Outflows of Resources | 63,372,743          | 13,001,941      | 76,374,684     |
| Deferred Inflows of Resources  | 15,680,475          | 9,646,386       | 25,326,861     |
| Pension Expense                | 36,149,402          | 4,842,381       | 40,991,783     |

**FRS – Defined Contribution Pension Plan**

The District contributes to the FRS Investment Plan (Investment Plan), a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the SBA, and is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report. Service retirement benefits are based upon the value of the member's account upon retirement.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. District employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Allocations to the investment member's accounts during the 2019-20 fiscal year were as follows:

| <u>Class</u>                 | <u>Percent of<br/>Gross<br/>Compensation</u> |
|------------------------------|----------------------------------------------|
| FRS, Regular                 | 6.30                                         |
| FRS, Elected County Officers | 11.34                                        |

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5 year period, the employee will regain control over their account. If the employee does not return within the 5 year period, the employee will forfeit the accumulated account balance. Costs

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of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of Investment Plan members. For the fiscal year ended June 30, 2020, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the District.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided and the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

There were 1,020 District participants in the Investment Plan during the 2019-20 fiscal year. The District's total contribution to the plan, including the employee portion totaled \$4,391,299 (which was equal to the required contribution for the 2019-20 fiscal year). The employer portion was \$3,250,770.

**16. EARLY TERMINATION BENEFITS**

**Retirement Incentive.** Board policy provides for the payment of retirement incentive bonuses to District personnel who retire by the end of the fiscal year in which they first become eligible under any retirement plan sponsored by a unit of Florida municipal, local, or State government and who have a minimum of 15 years of service with the District. The Retirement Incentive is equal to 25 percent of the qualified employee's gross annual salary. In addition to payments made for regular termination benefits, the District reported expenditures totaling \$362,554 during the 2019-20 fiscal year for Retirement Incentive pay.

**17. OTHER POSTEMPLOYMENT BENEFITS PAYABLE**

Other Postemployment Benefits (OPEB) are addressed in GASB Statements No. 74 and 75; *Financial Reporting for Postemployment Benefits Plans Other than Pension Plans*, and *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. GASB Statement No. 74 establishes financial and reporting requirements for OPEB, while Statement No. 75 requires governments to report a liability on the face of the financial statements for the OPEB that they provide. This statement requires governments in all types of OPEB plans to present adequate note disclosures and Required Supplemental Information (RSI) about their OPEB liabilities.

**Plan Description.** The OPEB healthcare plan is a single-employer, defined benefit plan administered by the District. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the District are eligible to participate in one of four self-funded comprehensive plans for medical and prescription drug coverage. The District subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement No. 75.

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Additionally, certain retirees receive insurance coverage at a lower (explicitly subsidized) premium rate than active employees. The benefits provided under this defined benefit plan are provided for a fixed number of years determined at the time of retirement based on the number of years worked for the District. Retirees are required to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. The OPEB plan does not issue a stand-alone report and is not included in the report of a public employee retirement system or another entity.

**Funding Policy.** Plan contribution requirements of the District are established and may be amended through recommendations of the Insurance Committee and action from the Board. The District has not advanced-funded or established a funding methodology for the OPEB costs or the net OPEB obligation. The actuarial valuation was based on personnel data at July 1, 2019 in which 170 retirees and 21 eligible dependents received postemployment healthcare benefits. For the 2019-20 fiscal year, the District provided required contributions of \$1,793,597 toward annual OPEB costs, an increase of \$1,266,804 over the prior fiscal year (\$526,793), comprised of benefit payments made on behalf of retirees for claims expenses, retention costs, and net of retiree contributions totaling \$2,020,757, 1.0 percent of covered payroll. Required contributions are based on projected pay-as-you-go financing.

As of July 1, 2019, the following employees were covered by the benefit terms:

|                                                                     |              |
|---------------------------------------------------------------------|--------------|
| Inactive plan members or beneficiaries currently receiving benefits | 191          |
| Active employees                                                    | <u>5,083</u> |
| Total                                                               | <u>5,274</u> |

**Total OPEB Liability.** The District's total OPEB liability was measured as of June 30, 2019 and was determined by an actuarial valuation as of July 1, 2019.

**Actuarial Methods and Assumptions.** Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment and termination, mortality, and the healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan provisions, as understood by the employer and participating members, and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The District's OPEB actuarial valuation for the 2018-19 fiscal year used the entry age normal cost actuarial method to estimate the unfunded actuarial liability as of June 30, 2020, and to estimate the District's annual required contribution. Because the OPEB liability is currently unfunded, the actuarial assumptions included a 3.51 percent rate of return on invested assets, which is the District's long-term expectation of investment returns under its investment policy. The actuarial assumptions also included a payroll growth rate of 3 percent per year, salary increases of 4.5

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**DISTRICT SCHOOL BOARD OF  
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percent, general inflation is 2.5 percent, and an annual healthcare cost trend rate of 7.50 percent initially for the 2019-20 fiscal year, reduced to an ultimate rate of 5 percent for the fiscal year ending June 30, 2029. Under GASB Statement No. 75 the entire amount of the unfunded OPEB liability is reported.

The long-term expected rate of return on OPEB investments was determined using the Bond Buyer Go 20-Bond Municipal Bond Index which is used to determine the interest rates for a new issue of general obligation bonds. The average yield drawn from the index is taken from a survey of muni bond traders. The index tracks the average yields of 20 general obligation municipal bonds of which the average rating Aa2 (Moody's) or AA (Standard & Poor's).

**Changes in Total OPEB Liability.** The following table illustrates the Total OPEB Liability under GASB 75:

|                                                                          | <u>Increase (Decrease)</u><br><u>Total OPEB</u><br><u>Liability</u> |
|--------------------------------------------------------------------------|---------------------------------------------------------------------|
| Balance Recognized at 6/30/2019<br>(Based on 6/30/2018 Measurement Date) | \$ 12,257,643                                                       |
| Changes Recognized for the Fiscal Year:                                  |                                                                     |
| Service Costs                                                            | 974,799                                                             |
| Interest on the total OPEB Liability                                     | 477,719                                                             |
| Differences Between Expected and<br>Actual Experience                    | 829,638                                                             |
| Changes in Assumptions                                                   | 244,445                                                             |
| Benefit Payments                                                         | (1,793,597)                                                         |
| Contributions From Employer                                              | -                                                                   |
| Net Changes                                                              | <u>733,004</u>                                                      |
| Balance Recognized at 6/30/2020<br>(Based on 6/30/2019 Measurement Date) | <u><u>\$ 12,990,647</u></u>                                         |

**Interest Rate Sensitivity.** The following table illustrates the impact of interest rate sensitivity on the Total OPEB Liability for the fiscal year ended June 30, 2020:

|                      | <u>1%<br/>Decrease<br/>(2.51%)</u> | <u>Current<br/>Discount Rate<br/>(3.51%)</u> | <u>1%<br/>Increase<br/>(4.51%)</u> |
|----------------------|------------------------------------|----------------------------------------------|------------------------------------|
| Total OPEB Liability | \$ 13,563,326                      | \$ 12,990,647                                | \$ 12,367,515                      |

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**DISTRICT SCHOOL BOARD OF  
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**Healthcare Cost Trend Sensitivity.** The following table illustrates the impact of healthcare cost trend sensitivity on the Total OPEB Liability for the fiscal year ended June 30, 2020:

|                      | <b>1%<br/>Decrease<br/>(6.50%)</b> | <b>Current<br/>Trend<br/>(7.50%)</b> | <b>1%<br/>Increase<br/>(8.50%)</b> |
|----------------------|------------------------------------|--------------------------------------|------------------------------------|
| Total OPEB Liability | \$ 11,553,500                      | \$ 12,990,647                        | \$ 14,685,032                      |

**OPEB Expense and Deferred Outflows/Inflows of Resources.** For the year ended June 30, 2020 the District recognized OPEB expense of \$853,434. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| <b><u>Description</u></b>                                  | <b><u>Deferred Outflows<br/>of Resources</u></b> | <b><u>Deferred Inflows<br/>of Resources</u></b> |
|------------------------------------------------------------|--------------------------------------------------|-------------------------------------------------|
| Differences between expected and actual experience         | \$ 748,004                                       | \$ 645,082                                      |
| Change of assumptions                                      | 202,227                                          | 2,325,275                                       |
| Sub Total                                                  | 950,231                                          | 2,970,357                                       |
| Contributions made in FYE 6/30/2020 after measurement date | 2,184,520                                        | -                                               |
| <b>Total</b>                                               | <b>\$ 3,134,751</b>                              | <b>\$ 2,970,357</b>                             |

Amounts reported as deferred outflows of resources and deferred inflows of resources to OPEB will be recognized in OPEB expense as follows:

| <b>Fiscal Year Ending June 30</b> | <b><u>Amount</u></b>  |
|-----------------------------------|-----------------------|
| 2021                              | \$ (599,084)          |
| 2022                              | (599,084)             |
| 2023                              | (583,483)             |
| 2024                              | (385,028)             |
| 2025                              | 146,553               |
| Total                             | <b>\$ (2,020,126)</b> |

**18. RISK MANAGEMENT PROGRAMS**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is self-insured for property losses, except that commercial property insurance having a number of different deductibles, sublimits, and policy maximums has been purchased to limit the District's

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**DISTRICT SCHOOL BOARD OF  
 ESCAMBIA COUNTY, FLORIDA  
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exposure to loss. The District provides a self-insurance program for workers' compensation, automobile liability, and general liability coverage. These activities are accounted for in a Risk Management Fund, a part of the internal service funds reported on the basic financial statements of the District. For automobile and general liability, the District generally relies upon the sovereign immunity limits of Section 768.28, Florida Statutes, which limits the District's liability to \$200,000 for each claimant and \$300,000 in any one occurrence. Workers' compensation claims, except for certain claims covered under stop-loss insurance policies purchased in prior fiscal years, are fully covered by the District.

The District also provides commercially purchased life insurance and self-insured dental, prescription drug, and health coverage to its employees, retirees, and their dependents. These activities are accounted for in the Escambia School District Employee Benefit Trust, which is reported in the internal service funds on the basic financial statements of the District. The District has entered into agreements with various insurance companies to provide specific excess coverage of health claims that exceed a stated amount per policy period. In addition, third-party administrators have been contracted to assist in the payment and/or processing of dental, prescription drugs, and health claims.

Settled claims resulting from the risks described above have not exceeded commercial insurance coverage in any of the past 3 fiscal years.

For all programs for which the District is self-insured, an undiscounted liability in the amount of \$26,632,157 (\$23,789,157 for workers' compensation, automobile and general liability claims, and \$2,843,000 for dental, prescription drug, and health insurance claims) was actuarially determined to cover estimated incurred, but not reported claims and insurance claims payable at June 30, 2020.

The following schedule represents the changes in claims liability for the past two fiscal years for the District's self-insurance program:

| Fiscal Year | Beginning-of-Fiscal-Year Liability | Current-Year Claims and Changes in Estimates | Claims Payments | Balance at Fiscal Year-End |
|-------------|------------------------------------|----------------------------------------------|-----------------|----------------------------|
| 2018-19     | \$ 27,847,921                      | \$ 37,100,159                                | \$ (35,976,489) | \$ 28,971,591              |
| 2019-20     | 28,971,591                         | 36,326,841                                   | (38,666,275)    | 26,632,157                 |

**19. OTHER LOSS CONTINGENCY**

The Escambia County Property Appraiser has been involved in ongoing litigation with the Pensacola Beach Leaseholders and Residents Association regarding the appraisals on and taxability of the values of leasehold improvements and land on Pensacola Beach. During the litigation, some leaseholders have chosen to pay the assessed taxes, while others have chosen not to pay the assessed taxes pending the outcome.

The Florida Supreme Court ruled during the 2013-14 fiscal year that the leasehold improvements were taxable. The Property Appraiser was of the opinion that the land under lease is also addressed by the Court ruling but the leaseholders disagree. In March of 2016, the Florida 1<sup>st</sup> District Court of Appeals ruled that the land was not taxable in a specific case involving a

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condominium development. As a result, the Property Appraiser entered into settlement agreements with the Pensacola Beach leaseholders and the litigation was dismissed with prejudice.

The settlement agreements entered into between the Property Appraiser and the Pensacola Beach leaseholders requires the District to refund a portion of the property tax revenues previously collected. As of June 30, 2020, refunds totaled \$6,057,273, all of which were recorded in the 2018-19 fiscal year. There are currently no additional refund requests in process according to the Escambia County Tax Collector. Neither has there been any notification that future refund orders will be forthcoming. However, the District will maintain a budgeted reserve of approximately \$1.7 million through the upcoming 2020-21 fiscal year for potential beach tax refunds to leaseholders.

As of June 30, 2020, the District has received \$33,622,514 in taxes collected from residential leaseholders.

**20. LITIGATION**

The District is involved in several pending and threatened legal actions. It is the opinion of District management, after considering the District's related insurance coverage, as well as statutory limitations on uninsured losses for governmental agencies, that the amount of loss from all such claims and actions would not materially affect the financial condition of the District.

# REQUIRED SUPPLEMENTARY INFORMATION

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED  
RATIOS  
LAST 10 FISCAL YEARS\***

|                                                                                 | <u>2020</u>                 | <u>2019</u>                 | <u>2018</u>                 |
|---------------------------------------------------------------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Total OPEB Liability</b>                                                     |                             |                             |                             |
| Service Cost                                                                    | \$ 974,799                  | \$ 1,365,697                | \$ 1,464,394                |
| Interest Cost                                                                   | 477,719                     | 577,365                     | 442,761                     |
| Differences between Expected and<br>Actual Experiences                          | 829,638                     | (985,496)                   | 128,911                     |
| Changes in Assumptions                                                          | 244,445                     | (3,196,018)                 | (487,674)                   |
| Benefit Payments                                                                | (1,793,597)                 | (526,793)                   | (1,184,877)                 |
| <b>Net Change in Total OPEB Liability</b>                                       | <u>733,004</u>              | <u>(2,765,245)</u>          | <u>363,515</u>              |
| <b>Total OPEB Liability (Beginning)</b>                                         | <u>12,257,643</u>           | <u>15,022,888</u>           | <u>14,659,373</u>           |
| <b>Total OPEB Liability (Ending)</b>                                            | <u><u>\$ 12,990,647</u></u> | <u><u>\$ 12,257,643</u></u> | <u><u>\$ 15,022,888</u></u> |
| <br><b>Covered-Employee Payroll at Measurement Period</b>                       | <br>\$ 208,523,980          | <br>\$ 208,266,112          | <br>\$ 279,651,532          |
| <br><b>Total OPEB Liability as a Percentage of Covered-Employee<br/>Payroll</b> | <br>6.23%                   | <br>5.89%                   | <br>5.37%                   |

GASB 75 was effective first for employer fiscal years beginning after June 15, 2017. Fiscal year ended 6/30/2020 values reflect the measurement period from July 1, 2018 to June 30, 2019.

\*GASB Statement No. 75 was implemented during the 2017-18 fiscal year. Therefore, data for a full 10-year presentation was not available. Additional years' information will be displayed as it becomes available.



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**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Total OPEB Liability was \$12,990,647 at the June 30, 2019 measurement date.

**Actuarial Valuation:**

Cost Method - Entry Age Normal Cost Method

Method Changes - None

Assumption Changes:

- A change in the funding discount rate from 3.87 percent at June 30, 2019 to 3.51 percent at June 30, 2020.
- The mortality improvement projection scale was updated from MP-2018 to MP-2019.

The rationales for selecting each of the assumptions used in the financial accounting valuation and for the assumption changes summarized above are to best reflect the current market conditions and recent plan experience.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY –  
FLORIDA RETIREMENT SYSTEM PENSION PLAN  
LAST 10 FISCAL YEARS\***

|                                                                                                        | <b><u>2019</u></b> | <b><u>2018</u></b> | <b><u>2017</u></b> | <b><u>2016</u></b> | <b><u>2015</u></b> |
|--------------------------------------------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| District's proportion of the FRS net pension liability                                                 | 0.447470245%       | 0.460707327%       | 0.474619344%       | 0.492777162%       | 0.522779113%       |
| District's proportionate share of the FRS net pension liability                                        | \$ 154,102,523     | \$ 138,767,435     | \$ 140,389,217     | \$ 124,426,620     | \$ 67,523,934      |
| District's covered payroll                                                                             | 208,523,980        | 208,266,112        | 279,651,532        | 226,377,227        | 217,952,759        |
| District's proportionate share of the FRS net pension liability as a percentage of its covered payroll | 73.90%             | 66.63%             | 50.20%             | 54.96%             | 30.98%             |
| FRS Plan fiduciary net position as percentage of total pension liability                               | 82.61%             | 84.26%             | 83.89%             | 84.88%             | 92.00%             |

|                                                                                                        | <b><u>2014</u></b> | <b><u>2013</u></b> |
|--------------------------------------------------------------------------------------------------------|--------------------|--------------------|
| District's proportion of the FRS net pension liability                                                 | 0.523517774%       | 0.510916965%       |
| District's proportionate share of the FRS net pension liability                                        | \$ 31,942,283      | \$ 87,951,549      |
| District's covered payroll                                                                             | 209,931,489        | 196,359,029        |
| District's proportionate share of the FRS net pension liability as a percentage of its covered payroll | 15.22%             | 44.79%             |
| FRS Plan fiduciary net position as percentage of total pension liability                               | 96.09%             | 88.54%             |

\*GASB Statement No. 68 was implemented during the 2014-15 fiscal year. Therefore, data for a full 10-year presentation was not available. Additional years' information will be displayed as it becomes available.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF DISTRICT CONTRIBUTIONS – FLORIDA RETIREMENT SYSTEM  
PENSION PLAN  
LAST 10 FISCAL YEARS\***

|                                                                          | <u>2020</u>         | <u>2019</u>         | <u>2018</u>         | <u>2017</u>         | <u>2016</u>         |
|--------------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Contractually required FRS contribution                                  | \$ 14,549,031       | \$ 13,874,806       | \$ 13,129,789       | \$ 12,355,510       | \$ 12,017,157       |
| FRS contributions in relation to the contractually required contribution | <u>(14,549,031)</u> | <u>(13,874,806)</u> | <u>(13,129,789)</u> | <u>(12,355,510)</u> | <u>(12,017,157)</u> |
| FRS contribution deficiency (excess)                                     | <u>\$ -</u>         | <u>\$ -</u>         | <u>\$ -</u>         | <u>\$ -</u>         | <u>\$ -</u>         |
| District's covered payroll                                               | \$ 214,865,105      | \$ 208,523,980      | \$ 208,266,112      | \$ 279,651,532      | \$ 226,377,227      |
| FRS contributions as a percentage of covered payroll                     | 6.77%               | 6.65%               | 6.30%               | 4.42%               | 5.31%               |
|                                                                          |                     |                     |                     |                     |                     |
|                                                                          | <u>2015</u>         | <u>2014</u>         |                     |                     |                     |
| Contractually required FRS contribution                                  | \$ 12,745,799       | \$ 11,467,261       |                     |                     |                     |
| FRS contributions in relation to the contractually required contribution | <u>(12,745,799)</u> | <u>(11,467,261)</u> |                     |                     |                     |
| FRS contribution deficiency (excess)                                     | <u>\$ -</u>         | <u>\$ -</u>         |                     |                     |                     |
| District's covered payroll                                               | \$ 217,952,759      | \$ 209,931,489      |                     |                     |                     |
| FRS contributions as a percentage of covered payroll                     | 5.85%               | 5.46%               |                     |                     |                     |

\*GASB Statement No. 68 was implemented during the 2014-15 fiscal year. Therefore, data for a full 10-year presentation was not available. Additional years' information will be displayed as it becomes available.

**FLORIDA RETIREMENT SYSTEM PENSION PLAN - CHANGES IN BENEFIT TERMS AND  
ASSUMPTIONS**

There were no changes in benefit terms for the fiscal year ended June 30, 2020.

Changes in Assumptions. The long-term expected rate of return, net of investment expense, decreased from 7.0 percent to 6.9 percent and the active member mortality assumption was updated. A decrease in discount rate results in an increase in pension liability.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY –  
HEALTH INSURANCE SUBSIDY PENSION PLAN  
LAST 10 FISCAL YEARS\***

|                                                                                                                | <u>2019</u>   | <u>2018</u>   | <u>2017</u>   | <u>2016</u>   | <u>2015</u>   |
|----------------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|
| District's proportion of the HIS net pension liability (asset)                                                 | 0.623355193%  | 0.637315645%  | 0.657317628%  | 0.677334098%  | 0.676027064%  |
| District's proportionate share of the HIS net pension liability (asset)                                        | \$ 69,747,208 | \$ 67,454,203 | \$ 70,283,433 | \$ 78,940,483 | \$ 68,944,126 |
| District's covered payroll                                                                                     | 208,523,980   | 208,266,112   | 279,651,532   | 226,377,227   | 217,952,759   |
| District's proportionate share of the HIS net pension liability (asset) as a percentage of its covered payroll | 33.45%        | 32.39%        | 25.13%        | 34.87%        | 31.63%        |
| FRS HIS Plan fiduciary net position as percentage of total pension liability                                   | 2.63%         | 2.15%         | 1.64%         | 0.97%         | 0.50%         |
|                                                                                                                | <u>2014</u>   | <u>2013</u>   |               |               |               |
| District's proportion of the HIS net pension liability (asset)                                                 | 0.665329064%  | 0.657194019%  |               |               |               |
| District's proportionate share of the HIS net pension liability (asset)                                        | \$ 62,209,891 | \$ 57,217,380 |               |               |               |
| District's covered payroll                                                                                     | 209,931,489   | 196,359,029   |               |               |               |
| District's proportionate share of the HIS net pension liability (asset) as a percentage of its covered payroll | 29.63%        | 29.14%        |               |               |               |
| FRS HIS Plan fiduciary net position as percentage of total pension liability                                   | 0.99%         | 1.78%         |               |               |               |

\*GASB Statement No. 68 was implemented during the 2014-15 fiscal year. Therefore, data for a full 10-year presentation was not available. Additional years' information will be displayed as it becomes available.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF DISTRICT CONTRIBUTIONS – HEALTH INSURANCE SUBSIDY PENSION PLAN  
LAST 10 FISCAL YEARS\***

|                                                                             | <u>2020</u>        | <u>2019</u>        | <u>2018</u>        | <u>2017</u>        | <u>2016</u>        |
|-----------------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Contractually required HIS contribution                                     | \$ 3,566,493       | \$ 3,461,431       | \$ 3,456,179       | \$ 3,478,715       | \$ 3,471,769       |
| HIS contributions in relation to the<br>contractually required contribution | <u>(3,566,493)</u> | <u>(3,461,431)</u> | <u>(3,456,179)</u> | <u>(3,478,715)</u> | <u>(3,471,769)</u> |
| HIS contribution deficiency (excess)                                        | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>        |
| District's covered payroll                                                  | \$ 214,865,105     | \$ 208,523,980     | \$ 208,266,112     | \$ 279,651,532     | \$ 226,377,227     |
| HIS contributions as a percentage of<br>covered payroll                     | 1.66%              | 1.66%              | 1.66%              | 1.24%              | 1.53%              |
|                                                                             |                    |                    |                    |                    |                    |
|                                                                             | <u>2015</u>        | <u>2014</u>        |                    |                    |                    |
| Contractually required HIS contribution                                     | \$ 2,584,196       | \$ 2,279,194       |                    |                    |                    |
| HIS contributions in relation to the<br>contractually required contribution | <u>(2,584,196)</u> | <u>(2,279,194)</u> |                    |                    |                    |
| HIS contribution deficiency (excess)                                        | <u>\$ -</u>        | <u>\$ -</u>        |                    |                    |                    |
| District's covered payroll                                                  | \$ 217,952,759     | \$ 209,931,489     |                    |                    |                    |
| HIS contributions as a percentage of<br>covered payroll                     | 1.19%              | 1.09%              |                    |                    |                    |

\*GASB Statement No. 68 was implemented during the 2014-15 fiscal year. Therefore, data for a full 10-year presentation was not available. Additional years' information will be displayed as it becomes available.

**FLORIDA RETIREMENT SYSTEM HEALTH INSURANCE SUBSIDY PENSION PLAN –  
CHANGES IN BENEFIT TERMS AND ASSUMPTIONS**

There were no changes in benefit terms for the fiscal year ended June 30, 2020.

Changes in Assumptions. The municipal bond rate used to determine total pension liability decreased from 3.87 to 3.50 percent. A decrease in discount rate results in an increase in pension liability.



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# COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

## **Nonmajor Governmental Funds**

### **Special Revenue Funds**

The Special Revenue Funds account for certain revenues derived from the State of Florida, the Federal Government, and other local and private sources that are required to finance designated activities. Activities included within the funds are as follows:

**Food Service Fund - To account for and report on activities of the food service program in serving breakfast and lunch at the schools.**

### **Debt Service Funds**

The Debt Service Funds are used to account for the payment of interest and principal of the current portion on long-term debt.

**State Board of Education (SBE) Bond Fund - To account for and report on payment of principal, interest, and related costs on the State school bonds issued by the SBE on behalf of the District. These bonds are payable from the District's portion of the State-assessed motor vehicle license tax.**

**Other Debt Service Fund - (1) To account for and report on Certificate of Participation Issues, characterized as lease-purchase agreements. (2) To account for and report on the Sales Tax Revenue Bonds, Series 2016.**

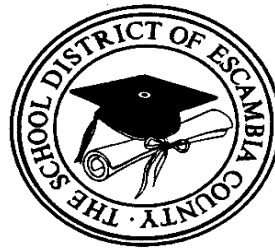
**Nonmajor Governmental Funds (Continued)**

**Capital Projects Funds**

**The Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings or additions to existing buildings, or for major renovation projects. Specific funding sources included herein are:**

**Public Education Capital Outlay Fund – To account for and report on funds received from the State for the construction and maintenance of schools.**

**Capital Outlay & Debt Service Fund – To account for and report on the excess dollars received through the State's Capital Outlay & Debt Service (CO&DS) program, used for construction and maintenance of schools.**



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**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2020**

|                                            |                                                      | <b>Special Revenue Fund</b>                            |                              | <b>Debt Service Funds</b>                            |                                                             |                                        |
|--------------------------------------------|------------------------------------------------------|--------------------------------------------------------|------------------------------|------------------------------------------------------|-------------------------------------------------------------|----------------------------------------|
|                                            | <b>Total<br/>Nonmajor<br/>Governmental<br/>Funds</b> | <b>Total<br/>Nonmajor<br/>Special Revenue<br/>Fund</b> | <b>Food Service<br/>Fund</b> | <b>Total<br/>Nonmajor<br/>Debt Service<br/>Funds</b> | <b>State Board of<br/>Education<br/>(SBE) Bond<br/>Fund</b> | <b>Other<br/>Debt Service<br/>Fund</b> |
| <b>ASSETS</b>                              |                                                      |                                                        |                              |                                                      |                                                             |                                        |
| Cash and Cash Equivalents                  | \$ 19,598,980                                        | \$ 4,524,334                                           | \$ 4,524,334                 | \$ 9,738,759                                         | \$ -                                                        | \$ 9,738,759                           |
| Investments                                | 25,990                                               | -                                                      | -                            | 25,990                                               | 25,990                                                      | -                                      |
| Accounts Receivable                        | 2,231                                                | 2,231                                                  | 2,231                        | -                                                    | -                                                           | -                                      |
| Due from Other Funds                       | 12,905                                               | 12,905                                                 | 12,905                       | -                                                    | -                                                           | -                                      |
| Due from Other Agencies                    | 410,558                                              | 10,828                                                 | 10,828                       | -                                                    | -                                                           | -                                      |
| Inventories                                | 2,600,452                                            | 2,600,452                                              | 2,600,452                    | -                                                    | -                                                           | -                                      |
| <b>TOTAL ASSETS</b>                        | <b>\$ 22,651,116</b>                                 | <b>\$ 7,150,750</b>                                    | <b>\$ 7,150,750</b>          | <b>\$ 9,764,749</b>                                  | <b>\$ 25,990</b>                                            | <b>\$ 9,738,759</b>                    |
| <b>LIABILITIES AND FUND BALANCES</b>       |                                                      |                                                        |                              |                                                      |                                                             |                                        |
| Liabilities:                               |                                                      |                                                        |                              |                                                      |                                                             |                                        |
| Salaries and Benefits Payable              | \$ 7,707                                             | \$ 7,707                                               | \$ 7,707                     | \$ -                                                 | \$ -                                                        | \$ -                                   |
| Payroll Deductions and Withholdings        | 3,451                                                | 3,451                                                  | 3,451                        | -                                                    | -                                                           | -                                      |
| Accounts Payable                           | 262,191                                              | 54,945                                                 | 54,945                       | -                                                    | -                                                           | -                                      |
| Due to Other Funds                         | 54,659                                               | 12,905                                                 | 12,905                       | -                                                    | -                                                           | -                                      |
| Deposits Payable                           | 175,022                                              | 175,022                                                | 175,022                      | -                                                    | -                                                           | -                                      |
| <b>Total Liabilities</b>                   | <b>503,030</b>                                       | <b>254,030</b>                                         | <b>254,030</b>               | <b>-</b>                                             | <b>-</b>                                                    | <b>-</b>                               |
| <b>Fund Balances:</b>                      |                                                      |                                                        |                              |                                                      |                                                             |                                        |
| Nonspendable:                              |                                                      |                                                        |                              |                                                      |                                                             |                                        |
| Inventories                                | 2,600,452                                            | 2,600,452                                              | 2,600,452                    | -                                                    | -                                                           | -                                      |
| Restricted for:                            |                                                      |                                                        |                              |                                                      |                                                             |                                        |
| Debt Service                               | 9,764,749                                            | -                                                      | -                            | 9,764,749                                            | 25,990                                                      | 9,738,759                              |
| Capital Projects                           | 5,486,617                                            | -                                                      | -                            | -                                                    | -                                                           | -                                      |
| Food Service                               | 4,296,268                                            | 4,296,268                                              | 4,296,268                    | -                                                    | -                                                           | -                                      |
| <b>Total Fund Balances</b>                 | <b>22,148,086</b>                                    | <b>6,896,720</b>                                       | <b>6,896,720</b>             | <b>9,764,749</b>                                     | <b>25,990</b>                                               | <b>9,738,759</b>                       |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b> | <b>\$ 22,651,116</b>                                 | <b>\$ 7,150,750</b>                                    | <b>\$ 7,150,750</b>          | <b>\$ 9,764,749</b>                                  | <b>\$ 25,990</b>                                            | <b>\$ 9,738,759</b>                    |

(Continued)

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS (Continued)**  
**JUNE 30, 2020**

|                                            | <b>Capital Projects Funds</b>                        |                                                     |                                                       |
|--------------------------------------------|------------------------------------------------------|-----------------------------------------------------|-------------------------------------------------------|
|                                            | <b>Total Nonmajor<br/>Capital Projects<br/>Funds</b> | <b>Public Education<br/>Capital Outlay<br/>Fund</b> | <b>Capital Outlay<br/>&amp; Debt Service<br/>Fund</b> |
| <b>ASSETS</b>                              |                                                      |                                                     |                                                       |
| Cash and Cash Equivalents                  | \$ 5,335,887                                         | \$ -                                                | \$ 5,335,887                                          |
| Due from Other Agencies                    | 399,730                                              | 396,619                                             | 3,111                                                 |
| <b>TOTAL ASSETS</b>                        | <b>\$ 5,735,617</b>                                  | <b>\$ 396,619</b>                                   | <b>\$ 5,338,998</b>                                   |
| <b>LIABILITIES AND FUND BALANCES</b>       |                                                      |                                                     |                                                       |
| Liabilities:                               |                                                      |                                                     |                                                       |
| Accounts Payable                           | \$ 207,246                                           | \$ 2,167                                            | \$ 205,079                                            |
| Due to Other Funds                         | 41,754                                               | 41,754                                              | -                                                     |
| <b>Total Liabilities</b>                   | <b>249,000</b>                                       | <b>43,921</b>                                       | <b>205,079</b>                                        |
| <b>Fund Balances:</b>                      |                                                      |                                                     |                                                       |
| Restricted for:                            |                                                      |                                                     |                                                       |
| Capital Projects                           | 5,486,617                                            | 352,698                                             | 5,133,919                                             |
| <b>Total Fund Balances</b>                 | <b>5,486,617</b>                                     | <b>352,698</b>                                      | <b>5,133,919</b>                                      |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b> | <b>\$ 5,735,617</b>                                  | <b>\$ 396,619</b>                                   | <b>\$ 5,338,998</b>                                   |

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                              |                                                      | <b>Special Revenue Fund</b>                            |                              | <b>Debt Service Funds</b>                            |                                                             |                                        |
|----------------------------------------------|------------------------------------------------------|--------------------------------------------------------|------------------------------|------------------------------------------------------|-------------------------------------------------------------|----------------------------------------|
|                                              | <b>Total<br/>Nonmajor<br/>Governmental<br/>Funds</b> | <b>Total<br/>Nonmajor<br/>Special Revenue<br/>Fund</b> | <b>Food Service<br/>Fund</b> | <b>Total<br/>Nonmajor<br/>Debt Service<br/>Funds</b> | <b>State Board of<br/>Education<br/>(SBE) Bond<br/>Fund</b> | <b>Other<br/>Debt Service<br/>Fund</b> |
| <b>REVENUES</b>                              |                                                      |                                                        |                              |                                                      |                                                             |                                        |
| Federal Through State and Local:             |                                                      |                                                        |                              |                                                      |                                                             |                                        |
| Food Service                                 | \$ 16,767,551                                        | \$ 16,767,551                                          | \$ 16,767,551                | \$ -                                                 | \$ -                                                        | \$ -                                   |
| <b>Total Federal Through State and Local</b> | <u>16,767,551</u>                                    | <u>16,767,551</u>                                      | <u>16,767,551</u>            | <u>-</u>                                             | <u>-</u>                                                    | <u>-</u>                               |
| State:                                       |                                                      |                                                        |                              |                                                      |                                                             |                                        |
| Food Service                                 | 368,790                                              | 368,790                                                | 368,790                      | -                                                    | -                                                           | -                                      |
| CO&DS Withheld for SBE/COBI Bond             | 213,146                                              | -                                                      | -                            | 213,146                                              | 213,146                                                     | -                                      |
| CO&DS Distribution                           | 1,377,113                                            | -                                                      | -                            | -                                                    | -                                                           | -                                      |
| Other State Sources                          | 47,656                                               | -                                                      | -                            | 297                                                  | 297                                                         | -                                      |
| <b>Total State</b>                           | <u>2,006,705</u>                                     | <u>368,790</u>                                         | <u>368,790</u>               | <u>213,443</u>                                       | <u>213,443</u>                                              | <u>-</u>                               |
| Local:                                       |                                                      |                                                        |                              |                                                      |                                                             |                                        |
| Charges for Food Service                     | 1,622,986                                            | 1,622,986                                              | 1,622,986                    | -                                                    | -                                                           | -                                      |
| Interest Income                              | 19,314                                               | 19,314                                                 | 19,314                       | -                                                    | -                                                           | -                                      |
| Other Local Sources                          | 18,519                                               | 18,519                                                 | 18,519                       | -                                                    | -                                                           | -                                      |
| <b>Total Local</b>                           | <u>1,660,819</u>                                     | <u>1,660,819</u>                                       | <u>1,660,819</u>             | <u>-</u>                                             | <u>-</u>                                                    | <u>-</u>                               |
| <b>Total Revenues</b>                        | <u>20,435,075</u>                                    | <u>18,797,160</u>                                      | <u>18,797,160</u>            | <u>213,443</u>                                       | <u>213,443</u>                                              | <u>-</u>                               |

(Continued)

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                                              |                                                      | <b>Special Revenue Fund</b>                            |                              | <b>Debt Service Funds</b>                            |                                                             |                                        |
|--------------------------------------------------------------|------------------------------------------------------|--------------------------------------------------------|------------------------------|------------------------------------------------------|-------------------------------------------------------------|----------------------------------------|
|                                                              | <b>Total<br/>Nonmajor<br/>Governmental<br/>Funds</b> | <b>Total<br/>Nonmajor<br/>Special Revenue<br/>Fund</b> | <b>Food Service<br/>Fund</b> | <b>Total<br/>Nonmajor<br/>Debt Service<br/>Funds</b> | <b>State Board of<br/>Education<br/>(SBE) Bond<br/>Fund</b> | <b>Other<br/>Debt Service<br/>Fund</b> |
| <b>EXPENDITURES</b>                                          |                                                      |                                                        |                              |                                                      |                                                             |                                        |
| Current Education:                                           |                                                      |                                                        |                              |                                                      |                                                             |                                        |
| Facilities Acquisition and Construction                      | \$ 1,801,657                                         | \$ -                                                   | \$ -                         | \$ -                                                 | \$ -                                                        | \$ -                                   |
| Food Services                                                | 19,340,972                                           | 19,340,972                                             | 19,340,972                   | -                                                    | -                                                           | -                                      |
| Capital Outlay:                                              |                                                      |                                                        |                              |                                                      |                                                             |                                        |
| Other Capital Outlay                                         | 266,675                                              | 266,675                                                | 266,675                      | -                                                    | -                                                           | -                                      |
| Debt Service:                                                |                                                      |                                                        |                              |                                                      |                                                             |                                        |
| Principal                                                    | 8,373,000                                            | -                                                      | -                            | 8,373,000                                            | 158,000                                                     | 8,215,000                              |
| Interest and Fiscal Charges                                  | 2,473,855                                            | -                                                      | -                            | 2,472,186                                            | 60,186                                                      | 2,412,000                              |
| Other Debt Service                                           | 150,234                                              | -                                                      | -                            | 150,234                                              | 150,234                                                     | -                                      |
| <b>Total Expenditures</b>                                    | <b>32,406,393</b>                                    | <b>19,607,647</b>                                      | <b>19,607,647</b>            | <b>10,995,420</b>                                    | <b>368,420</b>                                              | <b>10,627,000</b>                      |
| <b>Excess (Deficiency) of Revenues<br/>Over Expenditures</b> | <b>(11,971,318)</b>                                  | <b>(810,487)</b>                                       | <b>(810,487)</b>             | <b>(10,781,977)</b>                                  | <b>(154,977)</b>                                            | <b>(10,627,000)</b>                    |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                                                      |                                                        |                              |                                                      |                                                             |                                        |
| Refunding Bonds Issued                                       | 126,000                                              | -                                                      | -                            | 126,000                                              | 126,000                                                     | -                                      |
| Premium on Refunding Bonds                                   | 24,818                                               | -                                                      | -                            | 24,818                                               | 24,818                                                      | -                                      |
| Transfers In                                                 | 10,387,375                                           | -                                                      | -                            | 10,387,375                                           | -                                                           | 10,387,375                             |
| <b>Total Other Financing Sources (Uses)</b>                  | <b>10,538,193</b>                                    | <b>-</b>                                               | <b>-</b>                     | <b>10,538,193</b>                                    | <b>150,818</b>                                              | <b>10,387,375</b>                      |
| <b>Net Change in Fund Balances</b>                           | <b>(1,433,125)</b>                                   | <b>(810,487)</b>                                       | <b>(810,487)</b>             | <b>(243,784)</b>                                     | <b>(4,159)</b>                                              | <b>(239,625)</b>                       |
| Fund Balances, July 1, 2019                                  | 23,581,211                                           | 7,707,207                                              | 7,707,207                    | 10,008,533                                           | 30,149                                                      | 9,978,384                              |
| <b>Fund Balances, June 30, 2020</b>                          | <b>\$ 22,148,086</b>                                 | <b>\$ 6,896,720</b>                                    | <b>\$ 6,896,720</b>          | <b>\$ 9,764,749</b>                                  | <b>\$ 25,990</b>                                            | <b>\$ 9,738,759</b>                    |

(Continued)

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

| <b>Capital Projects Funds</b> |                                                             |                                                            |                                                              |
|-------------------------------|-------------------------------------------------------------|------------------------------------------------------------|--------------------------------------------------------------|
|                               | <b><i>Total Nonmajor<br/>Capital Projects<br/>Funds</i></b> | <b><i>Public Education<br/>Capital Outlay<br/>Fund</i></b> | <b><i>Capital Outlay<br/>&amp; Debt Service<br/>Fund</i></b> |
| <b>REVENUES</b>               |                                                             |                                                            |                                                              |
| State:                        |                                                             |                                                            |                                                              |
| CO&DS Distribution            | \$ 1,377,113                                                | \$ -                                                       | \$ 1,377,113                                                 |
| Other State Sources           | 47,359                                                      | -                                                          | 47,359                                                       |
| <b>Total State</b>            | <u>1,424,472</u>                                            | <u>-</u>                                                   | <u>1,424,472</u>                                             |
| <b>Total Revenues</b>         | <u>\$ 1,424,472</u>                                         | <u>\$ -</u>                                                | <u>\$ 1,424,472</u>                                          |
|                               |                                                             |                                                            | (Continued)                                                  |

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                                              | <b>Capital Projects Funds</b>                        |                                                     |                                                       |
|--------------------------------------------------------------|------------------------------------------------------|-----------------------------------------------------|-------------------------------------------------------|
|                                                              | <b>Total Nonmajor<br/>Capital Projects<br/>Funds</b> | <b>Public Education<br/>Capital Outlay<br/>Fund</b> | <b>Capital Outlay<br/>&amp; Debt Service<br/>Fund</b> |
| <b>EXPENDITURES</b>                                          |                                                      |                                                     |                                                       |
| Current Education:                                           |                                                      |                                                     |                                                       |
| Facilities Acquisition and Construction                      | \$ 1,801,657                                         | \$ 497,583                                          | \$ 1,304,074                                          |
| Debt Service:                                                |                                                      |                                                     |                                                       |
| Interest and Fiscal Charges                                  | 1,669                                                | -                                                   | 1,669                                                 |
| <b>Total Expenditures</b>                                    | <b>1,803,326</b>                                     | <b>497,583</b>                                      | <b>1,305,743</b>                                      |
| <b>Excess (Deficiency) of Revenues<br/>Over Expenditures</b> | <b>(378,854)</b>                                     | <b>(497,583)</b>                                    | <b>118,729</b>                                        |
| <b>Net Change in Fund Balances</b>                           | <b>(378,854)</b>                                     | <b>(497,583)</b>                                    | <b>118,729</b>                                        |
| Fund Balances, July 1, 2019                                  | 5,865,471                                            | 850,281                                             | 5,015,190                                             |
| <b>Fund Balances, June 30, 2020</b>                          | <b>\$ 5,486,617</b>                                  | <b>\$ 352,698</b>                                   | <b>\$ 5,133,919</b>                                   |

## **General Fund**

**The General Fund is the primary operating fund of the District. All general tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The General Fund is reported as a major governmental fund.**

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                               | General Fund     |             |                   | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|-----------------------------------------------|------------------|-------------|-------------------|-----------------------------------------------------------|
|                                               | Budgeted Amounts |             | Actual<br>Amounts |                                                           |
|                                               | Original         | Final       |                   |                                                           |
| REVENUES                                      |                  |             |                   |                                                           |
| Federal Direct:                               |                  |             |                   |                                                           |
| Federal Impact, Current Operations            | \$ 500,000       | \$ 500,000  | \$ 416,889        | \$ (83,111)                                               |
| Reserve Officers Training Corps (ROTC)        | 450,000          | 499,663     | 506,165           | 6,502                                                     |
| Other Federal Direct Sources                  | -                | -           | 56                | 56                                                        |
| Total Federal Direct                          | 950,000          | 999,663     | 923,110           | (76,553)                                                  |
| Federal Through State and Local:              |                  |             |                   |                                                           |
| Medicaid                                      | 1,200,000        | 1,657,890   | 1,595,656         | (62,234)                                                  |
| Other Federal Through State and Local Sources | 1,136,174        | 1,514,401   | 2,314,561         | 800,160                                                   |
| Total Federal Through State and Local         | 2,336,174        | 3,172,291   | 3,910,217         | 737,926                                                   |
| State:                                        |                  |             |                   |                                                           |
| Florida Education Finance Program (FEFP)      | 162,863,669      | 158,121,503 | 158,121,503       | -                                                         |
| Workforce Development                         | 3,830,626        | 3,794,637   | 3,794,637         | -                                                         |
| Workforce Education Performance Incentive     | 135,000          | 258,000     | 258,000           | -                                                         |
| CO & DS Withheld for Administrative Expense   | 24,217           | 24,217      | 24,217            | -                                                         |
| Discretionary Lottery Funds                   | 132,336          | 39,797      | 39,797            | -                                                         |
| Categorical Programs - Class Size Reduction   | 42,274,952       | 42,475,573  | 42,475,573        | -                                                         |
| Other State Sources                           | 3,644,825        | 4,291,436   | 3,979,048         | (312,388)                                                 |
| Total State                                   | 212,905,625      | 209,005,163 | 208,692,775       | (312,388)                                                 |
| Local:                                        |                  |             |                   |                                                           |
| Property Taxes                                | 92,173,545       | 93,739,773  | 93,739,773        | -                                                         |
| Interest Income                               | 750,000          | 750,000     | 542,327           | (207,673)                                                 |
| Other Local Sources                           | 4,141,105        | 4,341,385   | 4,947,483         | 606,098                                                   |
| Total Local                                   | 97,064,650       | 98,831,158  | 99,229,583        | 398,425                                                   |
| Total Revenues                                | 313,256,449      | 312,008,275 | 312,755,685       | 747,410                                                   |
| EXPENDITURES                                  |                  |             |                   |                                                           |
| Current - Education:                          |                  |             |                   |                                                           |
| Instruction:                                  |                  |             |                   |                                                           |
| Salaries                                      | 131,711,388      | 131,192,461 | 131,274,352       | (81,891)                                                  |
| Employee Benefits                             | 38,399,587       | 38,514,103  | 37,733,335        | 780,768                                                   |
| Purchased Services                            | 14,014,092       | 14,974,710  | 14,650,900        | 323,810                                                   |
| Energy Services                               | 12,507           | 8,876       | 2,338             | 6,538                                                     |
| Materials and Supplies                        | 6,308,089        | 8,704,426   | 5,313,470         | 3,390,956                                                 |
| Capital Outlay                                | 962,264          | 1,822,286   | 777,317           | 1,044,969                                                 |
| Other Expenses                                | 4,795,786        | 6,235,719   | 4,445,140         | 1,790,579                                                 |
| Total Instruction                             | 196,203,713      | 201,452,581 | 194,196,852       | 7,255,729                                                 |
| (Continued)                                   |                  |             |                   |                                                           |

(Continued)

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**  
**GENERAL FUND (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                                       | General Fund     |               |                   | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|-------------------------------------------------------|------------------|---------------|-------------------|-----------------------------------------------------------|
|                                                       | Budgeted Amounts |               | Actual<br>Amounts |                                                           |
|                                                       | Original         | Final         |                   |                                                           |
| EXPENDITURES                                          |                  |               |                   |                                                           |
| Current - Education: (Continued)                      |                  |               |                   |                                                           |
| Student Support Services:                             |                  |               |                   |                                                           |
| Salaries                                              | \$ 11,142,404    | \$ 11,160,435 | \$ 11,116,853     | \$ 43,582                                                 |
| Employee Benefits                                     | 3,495,673        | 3,364,290     | 3,352,948         | 11,342                                                    |
| Purchased Services                                    | 2,335,983        | 2,409,597     | 2,402,809         | 6,788                                                     |
| Energy Services                                       | 2,850            | 2,850         | 2,020             | 830                                                       |
| Materials and Supplies                                | 231,665          | 230,169       | 77,021            | 153,148                                                   |
| Capital Outlay                                        | 8,052            | 19,024        | 10,007            | 9,017                                                     |
| Other Expenses                                        | 31,685           | 52,969        | 27,221            | 25,748                                                    |
| Total Student Support Services                        | 17,248,312       | 17,239,334    | 16,988,879        | 250,455                                                   |
| Instructional Media Services:                         |                  |               |                   |                                                           |
| Salaries                                              | 3,131,110        | 3,374,080     | 3,359,501         | 14,579                                                    |
| Employee Benefits                                     | 1,020,181        | 1,024,627     | 988,335           | 36,292                                                    |
| Purchased Services                                    | 48,554           | 46,893        | 40,173            | 6,720                                                     |
| Materials and Supplies                                | 42,434           | 49,893        | 20,736            | 29,157                                                    |
| Capital Outlay                                        | 455,818          | 466,600       | 138,653           | 327,947                                                   |
| Other Expenses                                        | 58,480           | 57,769        | 33,407            | 24,362                                                    |
| Total Instructional Media Services                    | 4,756,577        | 5,019,862     | 4,580,805         | 439,057                                                   |
| Instruction and Curriculum Development Services:      |                  |               |                   |                                                           |
| Salaries                                              | 5,641,335        | 6,270,513     | 5,803,439         | 467,074                                                   |
| Employee Benefits                                     | 1,452,750        | 1,525,647     | 1,516,899         | 8,748                                                     |
| Purchased Services                                    | 100,990          | 103,392       | 85,255            | 18,137                                                    |
| Materials and Supplies                                | 65,533           | 75,169        | 23,559            | 51,610                                                    |
| Capital Outlay                                        | 30,000           | 1,216         | 6,410             | (5,194)                                                   |
| Other Expenses                                        | 41,080           | 51,761        | 17,683            | 34,078                                                    |
| Total Instruction and Curriculum Development Services | 7,331,688        | 8,027,698     | 7,453,245         | 574,453                                                   |
| Instructional Staff Training Services:                |                  |               |                   |                                                           |
| Salaries                                              | 1,995,664        | 2,356,529     | 2,207,883         | 148,646                                                   |
| Employee Benefits                                     | 587,255          | 623,555       | 534,644           | 88,911                                                    |
| Purchased Services                                    | 1,151,425        | 1,466,917     | 1,446,117         | 20,800                                                    |
| Materials and Supplies                                | 71,135           | 125,209       | 80,731            | 44,478                                                    |
| Capital Outlay                                        | 600              | 3,677         | 3,331             | 346                                                       |
| Other Expenses                                        | 155,902          | 189,015       | 71,976            | 117,039                                                   |
| Total Instructional Staff Training Services           | 3,961,981        | 4,764,902     | 4,344,682         | 420,220                                                   |
| Instruction-Related Technology:                       |                  |               |                   |                                                           |
| Salaries                                              | 1,850,700        | 2,008,508     | 2,002,837         | 5,671                                                     |
| Employee Benefits                                     | 553,028          | 565,438       | 563,732           | 1,706                                                     |
| Purchased Services                                    | 507,285          | 507,285       | 482,971           | 24,314                                                    |
| Materials and Supplies                                | 13,169           | 10,476        | 307               | 10,169                                                    |
| Capital Outlay                                        | 126,500          | 27,189        | 8,748             | 18,441                                                    |
| Other Expenses                                        | 6,984            | 20,068        | 19,554            | 514                                                       |
| Total Instruction-Related Technology                  | 3,057,666        | 3,138,964     | 3,078,149         | 60,815                                                    |
|                                                       |                  |               |                   | (Continued)                                               |

(Continued)

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**  
**GENERAL FUND (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                               | General Fund     |            |                   | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|-----------------------------------------------|------------------|------------|-------------------|-----------------------------------------------------------|
|                                               | Budgeted Amounts |            | Actual<br>Amounts |                                                           |
|                                               | Original         | Final      |                   |                                                           |
| EXPENDITURES                                  |                  |            |                   |                                                           |
| Current - Education: (Continued)              |                  |            |                   |                                                           |
| Board:                                        |                  |            |                   |                                                           |
| Salaries                                      | \$ 711,391       | \$ 764,791 | \$ 710,505        | \$ 54,286                                                 |
| Employee Benefits                             | 294,287          | 286,287    | 263,173           | 23,114                                                    |
| Purchased Services                            | 423,845          | 432,647    | 195,698           | 236,949                                                   |
| Energy Services                               | 600              | 21         | 21                | -                                                         |
| Materials and Supplies                        | 13,080           | 9,803      | 1,726             | 8,077                                                     |
| Capital Outlay                                | -                | 1,895      | 1,873             | 22                                                        |
| Other Expenses                                | 260,074          | 52,056     | 42,975            | 9,081                                                     |
| Total Board of Education                      | 1,703,277        | 1,547,500  | 1,215,971         | 331,529                                                   |
| General Administration:                       |                  |            |                   |                                                           |
| Salaries                                      | 580,347          | 598,347    | 597,195           | 1,152                                                     |
| Employee Benefits                             | 147,019          | 147,019    | 145,701           | 1,318                                                     |
| Purchased Services                            | 74,802           | 75,334     | 56,099            | 19,235                                                    |
| Materials and Supplies                        | 19,000           | 17,675     | 7,220             | 10,455                                                    |
| Capital Outlay                                | 600              | 1,393      | 793               | 600                                                       |
| Other Expenses                                | 71,700           | 71,700     | 60,715            | 10,985                                                    |
| Total General Administration                  | 893,468          | 911,468    | 867,723           | 43,745                                                    |
| School Administration:                        |                  |            |                   |                                                           |
| Salaries                                      | 11,942,838       | 13,591,365 | 13,565,251        | 26,114                                                    |
| Employee Benefits                             | 3,825,901        | 4,091,156  | 3,878,189         | 212,967                                                   |
| Purchased Services                            | 4,970            | 5,128      | 3,634             | 1,494                                                     |
| Materials and Supplies                        | 72,107           | 129,116    | 59,205            | 69,911                                                    |
| Capital Outlay                                | 8,178            | 24,543     | 23,505            | 1,038                                                     |
| Other Expenses                                | 41,350           | 45,897     | 4,960             | 40,937                                                    |
| Total School Administration                   | 15,895,344       | 17,887,205 | 17,534,744        | 352,461                                                   |
| Facilities Acquisition and Construction:      |                  |            |                   |                                                           |
| Salaries                                      | 1,600,810        | 627,810    | 333,122           | 294,688                                                   |
| Employee Benefits                             | 630,297          | 570,297    | 70,293            | 500,004                                                   |
| Purchased Services                            | 230,987          | 231,189    | 148,915           | 82,274                                                    |
| Energy Services                               | 20,750           | 16,150     | 16,033            | 117                                                       |
| Materials and Supplies                        | 21,157           | 26,139     | 15,581            | 10,558                                                    |
| Capital Outlay                                | 82,627           | 278,532    | 282,607           | (4,075)                                                   |
| Other Expenses                                | 5,650            | 3,033      | 1,602             | 1,431                                                     |
| Total Facilities Acquisition and Construction | 2,592,278        | 1,753,150  | 868,153           | 884,997                                                   |
| Fiscal Services:                              |                  |            |                   |                                                           |
| Salaries                                      | 1,673,512        | 1,772,612  | 1,762,760         | 9,852                                                     |
| Employee Benefits                             | 534,708          | 544,708    | 537,767           | 6,941                                                     |
| Purchased Services                            | 421,105          | 418,615    | 94,592            | 324,023                                                   |
| Materials and Supplies                        | 37,873           | 26,583     | 7,791             | 18,792                                                    |
| Capital Outlay                                | 15,000           | 15,251     | 453               | 14,798                                                    |
| Other Expenses                                | 14,425           | 17,374     | 15,666            | 1,708                                                     |
| Total Fiscal Services                         | 2,696,623        | 2,795,143  | 2,419,029         | 376,114                                                   |
|                                               |                  |            |                   | (Continued)                                               |

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**  
**GENERAL FUND (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                       | General Fund     |            |                   | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|---------------------------------------|------------------|------------|-------------------|-----------------------------------------------------------|
|                                       | Budgeted Amounts |            | Actual<br>Amounts |                                                           |
|                                       | Original         | Final      |                   |                                                           |
| EXPENDITURES                          |                  |            |                   |                                                           |
| Current - Education: (Continued)      |                  |            |                   |                                                           |
| Food Services:                        |                  |            |                   |                                                           |
| Salaries                              | \$ 59,000        | \$ 150,698 | \$ 150,116        | \$ 582                                                    |
| Employee Benefits                     | 1,051            | 6,638      | 6,114             | 524                                                       |
| Materials and Supplies                | 10,000           | 10,011     | 1,109             | 8,902                                                     |
| Other Expenses                        | -                | 2,275      | 2,275             | -                                                         |
| Total Food Services                   | 70,051           | 169,622    | 159,614           | 10,008                                                    |
| Central Services:                     |                  |            |                   |                                                           |
| Salaries                              | 4,801,595        | 4,484,741  | 4,462,169         | 22,572                                                    |
| Employee Benefits                     | 1,059,798        | 1,061,271  | 981,180           | 80,091                                                    |
| Purchased Services                    | 1,597,357        | 1,613,724  | 642,756           | 970,968                                                   |
| Energy Services                       | 29,106           | 17,339     | 16,129            | 1,210                                                     |
| Materials and Supplies                | 234,586          | 235,405    | 172,477           | 62,928                                                    |
| Capital Outlay                        | 4,407            | 13,904     | 10,537            | 3,367                                                     |
| Other Expenses                        | 252,860          | 266,158    | 147,657           | 118,501                                                   |
| Total Central Services                | 7,979,709        | 7,692,542  | 6,432,905         | 1,259,637                                                 |
| Student Transportation Services:      |                  |            |                   |                                                           |
| Salaries                              | 8,382,418        | 8,450,708  | 8,262,787         | 187,921                                                   |
| Employee Benefits                     | 3,011,085        | 3,211,653  | 3,203,439         | 8,214                                                     |
| Purchased Services                    | 988,779          | 1,089,295  | 691,376           | 397,919                                                   |
| Energy Services                       | 1,493,526        | 1,371,133  | 1,043,632         | 327,501                                                   |
| Materials and Supplies                | 1,317,085        | 1,347,527  | 807,211           | 540,316                                                   |
| Capital Outlay                        | 18,265           | 18,371     | 2,987             | 15,384                                                    |
| Other Expenses                        | 1,472,597        | 1,193,162  | 789,746           | 403,416                                                   |
| Total Student Transportation Services | 16,683,755       | 16,681,849 | 14,801,178        | 1,880,671                                                 |
| Operation of Plant:                   |                  |            |                   |                                                           |
| Salaries                              | 6,596,798        | 7,084,538  | 7,040,447         | 44,091                                                    |
| Employee Benefits                     | 2,647,592        | 2,692,397  | 2,682,723         | 9,674                                                     |
| Purchased Services                    | 6,391,931        | 7,606,525  | 7,083,944         | 522,581                                                   |
| Energy Services                       | 9,845,405        | 8,904,629  | 8,403,649         | 500,980                                                   |
| Materials and Supplies                | 816,714          | 808,665    | 725,229           | 83,436                                                    |
| Capital Outlay                        | 45,765           | 83,419     | 82,279            | 1,140                                                     |
| Other Expenses                        | 389,400          | 680,985    | 635,797           | 45,188                                                    |
| Total Operation of Plant              | 26,733,605       | 27,861,158 | 26,654,068        | 1,207,090                                                 |
| Maintenance of Plant:                 |                  |            |                   |                                                           |
| Salaries                              | 4,505,841        | 4,719,441  | 4,714,657         | 4,784                                                     |
| Employee Benefits                     | 1,970,765        | 1,740,765  | 1,686,170         | 54,595                                                    |
| Purchased Services                    | 2,735,061        | 2,790,430  | 2,790,350         | 80                                                        |
| Energy Services                       | 194,975          | 194,960    | 189,035           | 5,925                                                     |
| Materials and Supplies                | 1,898,425        | 1,721,399  | 1,684,995         | 36,404                                                    |
| Capital Outlay                        | 53,000           | 293,264    | 117,231           | 176,033                                                   |
| Other Expenses                        | 35,000           | 35,190     | 1,840             | 33,350                                                    |
| Total Maintenance of Plant            | 11,393,067       | 11,495,449 | 11,184,278        | 311,171                                                   |

(Continued)

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**  
**GENERAL FUND (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                                              | <b>General Fund</b>     |                      |                           | <b>Variance with<br/>Final Budget -<br/>Positive<br/>(Negative)</b> |
|--------------------------------------------------------------|-------------------------|----------------------|---------------------------|---------------------------------------------------------------------|
|                                                              | <b>Budgeted Amounts</b> |                      | <b>Actual<br/>Amounts</b> |                                                                     |
|                                                              | <b>Original</b>         | <b>Final</b>         |                           |                                                                     |
| <b>EXPENDITURES</b>                                          |                         |                      |                           |                                                                     |
| Current - Education: (Continued)                             |                         |                      |                           |                                                                     |
| Administrative Technology Services:                          |                         |                      |                           |                                                                     |
| Salaries                                                     | \$ 2,505,643            | \$ 2,625,738         | \$ 2,613,810              | \$ 11,928                                                           |
| Employee Benefits                                            | 749,476                 | 762,137              | 711,827                   | 50,310                                                              |
| Purchased Services                                           | 5,900                   | 246,900              | 245,517                   | 1,383                                                               |
| Energy Services                                              | 3,000                   | 3,000                | 2,151                     | 849                                                                 |
| Materials and Supplies                                       | 64,531                  | 64,531               | 10,116                    | 54,415                                                              |
| Capital Outlay                                               | 1,369                   | 10,369               | 7,058                     | 3,311                                                               |
| Other Expenses                                               | 1,000                   | 7,400                | 6,313                     | 1,087                                                               |
| Total Administrative Technology Services                     | 3,330,919               | 3,720,075            | 3,596,792                 | 123,283                                                             |
| Community Services:                                          |                         |                      |                           |                                                                     |
| Salaries                                                     | 135,820                 | 247,714              | 211,080                   | 36,634                                                              |
| Employee Benefits                                            | 78,451                  | 146,019              | 94,591                    | 51,428                                                              |
| Purchased Services                                           | 11,040                  | 8,662                | 6,371                     | 2,291                                                               |
| Materials and Supplies                                       | 289,379                 | 209,438              | 34,633                    | 174,805                                                             |
| Capital Outlay                                               | 4,500                   | 12,625               | 9,958                     | 2,667                                                               |
| Other Expenses                                               | 733,156                 | 617,961              | 425,774                   | 192,187                                                             |
| Total Community Services                                     | 1,252,346               | 1,242,419            | 782,407                   | 460,012                                                             |
| Capital Outlay:                                              |                         |                      |                           |                                                                     |
| Facilities Acquisition and Construction                      | 249,765                 | 332,844              | 324,697                   | 8,147                                                               |
| Other Capital Outlay                                         | 1,043,473               | 1,356,590            | 859,058                   | 497,532                                                             |
| Total Capital Outlay                                         | 1,293,238               | 1,689,434            | 1,183,755                 | 505,679                                                             |
| <b>Total Expenditures</b>                                    | <b>325,077,617</b>      | <b>335,090,355</b>   | <b>318,343,229</b>        | <b>16,747,126</b>                                                   |
| <b>Excess (Deficiency) of Revenues<br/>Over Expenditures</b> | <b>(11,821,168)</b>     | <b>(23,082,080)</b>  | <b>(5,587,544)</b>        | <b>17,494,536</b>                                                   |
| <b>Other Financing Sources</b>                               |                         |                      |                           |                                                                     |
| Transfers In                                                 | 8,238,196               | 8,190,836            | 7,302,152                 | (888,684)                                                           |
| <b>Total Other Financing Sources</b>                         | <b>8,238,196</b>        | <b>8,190,836</b>     | <b>7,302,152</b>          | <b>(888,684)</b>                                                    |
| <b>Net Change in Fund Balances</b>                           | <b>(3,582,972)</b>      | <b>(14,891,244)</b>  | <b>1,714,608</b>          | <b>16,605,852</b>                                                   |
| Fund Balances, July 1, 2019                                  | 44,115,278              | 44,115,278           | 44,115,278                | -                                                                   |
| <b>Fund Balances, June 30, 2020</b>                          | <b>\$ 40,532,306</b>    | <b>\$ 29,224,034</b> | <b>\$ 45,829,886</b>      | <b>\$ 16,605,852</b>                                                |

### **Special Revenue Funds**

The special revenue funds account for certain revenues derived from the State of Florida, the Federal Government and other local and private sources that are required to finance designated activities. Activities included within the funds are as follows:

#### **Nonmajor Special Revenue Fund**

**Food Service Fund** - To account for and report on activities of the food service program in serving breakfast and lunch at the schools.

#### **Major Special Revenue Fund**

**Other Federal Programs Fund** - To account for and report on activities of various Federal programs of different funding sources according to the specifications and requirements of each funding source.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**  
**SPECIAL REVENUE FUND - FOOD SERVICE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                                          | <b>Food Service Fund</b> |                     |                     |                       |
|----------------------------------------------------------|--------------------------|---------------------|---------------------|-----------------------|
|                                                          | <b>Budgeted Amounts</b>  |                     | <b>Actual</b>       | <b>Variance with</b>  |
|                                                          | <b>Original</b>          | <b>Final</b>        | <b>Amounts</b>      | <b>Final Budget -</b> |
|                                                          |                          |                     |                     | <b>Positive</b>       |
|                                                          |                          |                     |                     | <b>(Negative)</b>     |
| <b>REVENUES</b>                                          |                          |                     |                     |                       |
| Federal Through State and Local:                         |                          |                     |                     |                       |
| Food Service                                             | \$ 19,443,453            | \$ 19,926,544       | \$ 16,767,551       | \$ (3,158,993)        |
| Total Federal Through State and Local                    | 19,443,453               | 19,926,544          | 16,767,551          | (3,158,993)           |
| State:                                                   |                          |                     |                     |                       |
| Food Service                                             | 280,700                  | 368,790             | 368,790             | -                     |
| Total State                                              | 280,700                  | 368,790             | 368,790             | -                     |
| Local:                                                   |                          |                     |                     |                       |
| Charges for Food Service                                 | 2,205,000                | 1,622,986           | 1,622,986           | -                     |
| Interest Income                                          | 17,000                   | 19,314              | 19,314              | -                     |
| Other Local Sources                                      | 10,000                   | 18,519              | 18,519              | -                     |
| Total Local                                              | 2,232,000                | 1,660,819           | 1,660,819           | -                     |
| <b>Total Revenues</b>                                    | <b>21,956,153</b>        | <b>21,956,153</b>   | <b>18,797,160</b>   | <b>(3,158,993)</b>    |
| <b>EXPENDITURES</b>                                      |                          |                     |                     |                       |
| Current - Education:                                     |                          |                     |                     |                       |
| Food Services:                                           |                          |                     |                     |                       |
| Salaries                                                 | 5,153,450                | 5,307,334           | 5,254,521           | 52,813                |
| Employee Benefits                                        | 2,716,700                | 2,562,816           | 2,337,561           | 225,255               |
| Purchased Services                                       | 746,423                  | 746,423             | 657,812             | 88,611                |
| Energy Services                                          | 283,775                  | 283,775             | 188,923             | 94,852                |
| Materials and Supplies                                   | 11,354,478               | 11,354,478          | 9,730,362           | 1,624,116             |
| Capital Outlay                                           | 163,116                  | 163,116             | 148,282             | 14,834                |
| Other Expenses                                           | 1,387,569                | 1,387,569           | 1,023,511           | 364,058               |
| Total Food Services                                      | 21,805,511               | 21,805,511          | 19,340,972          | 2,464,539             |
| Capital Outlay:                                          |                          |                     |                     |                       |
| Other Capital Outlay                                     | 438,636                  | 438,636             | 266,675             | 171,961               |
| Total Capital Outlay                                     | 438,636                  | 438,636             | 266,675             | 171,961               |
| <b>Total Expenditures</b>                                | <b>22,244,147</b>        | <b>22,244,147</b>   | <b>19,607,647</b>   | <b>2,636,500</b>      |
| <b>Excess (Deficiency) of Revenues Over Expenditures</b> | <b>(287,994)</b>         | <b>(287,994)</b>    | <b>(810,487)</b>    | <b>(522,493)</b>      |
| <b>Net Change in Fund Balances</b>                       | <b>(287,994)</b>         | <b>(287,994)</b>    | <b>(810,487)</b>    | <b>(522,493)</b>      |
| Fund Balances, July 1, 2019                              | 7,707,207                | 7,707,207           | 7,707,207           | -                     |
| <b>Fund Balances, June 30, 2020</b>                      | <b>\$ 7,419,213</b>      | <b>\$ 7,419,213</b> | <b>\$ 6,896,720</b> | <b>\$ (522,493)</b>   |

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**  
**SPECIAL REVENUE FUND - OTHER FEDERAL PROGRAMS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                                  | Other Federal Programs Fund |              |                   | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--------------------------------------------------|-----------------------------|--------------|-------------------|-----------------------------------------------------------|
|                                                  | Budgeted Amounts            |              | Actual<br>Amounts |                                                           |
|                                                  | Original                    | Final        |                   |                                                           |
| REVENUES                                         |                             |              |                   |                                                           |
| Federal Direct:                                  |                             |              |                   |                                                           |
| Other Federal Direct Sources                     | \$ 2,626,994                | \$ 2,571,915 | \$ 2,189,968      | \$ (381,947)                                              |
| Total Federal Direct                             | 2,626,994                   | 2,571,915    | 2,189,968         | (381,947)                                                 |
| Federal Through State and Local:                 |                             |              |                   |                                                           |
| Career and Technical Education                   | 704,112                     | 758,478      | 571,425           | (187,053)                                                 |
| WIOA - Adult General Education                   | 189,856                     | 189,856      | 113,350           | (76,506)                                                  |
| Other Workforce and Innovation Opportunity Act   | 315,000                     | 231,858      | 231,858           | -                                                         |
| Individuals with Disabilities Education Act      | 13,187,620                  | 14,735,675   | 11,610,677        | (3,124,998)                                               |
| Elementary and Secondary Education Act - Title I | 19,468,421                  | 19,545,232   | 16,705,196        | (2,840,036)                                               |
| Other Federal Through State and Local Sources    | 3,482,908                   | 3,655,825    | 2,294,020         | (1,361,805)                                               |
| Total Federal Through State and Local            | 37,347,917                  | 39,116,924   | 31,526,526        | (7,590,398)                                               |
| Total Revenues                                   | 39,974,911                  | 41,688,839   | 33,716,494        | (7,972,345)                                               |
| EXPENDITURES                                     |                             |              |                   |                                                           |
| Current - Education:                             |                             |              |                   |                                                           |
| Instruction:                                     |                             |              |                   |                                                           |
| Salaries                                         | 5,554,665                   | 7,502,441    | 6,115,732         | 1,386,709                                                 |
| Employee Benefits                                | 2,547,566                   | 2,741,549    | 2,070,385         | 671,164                                                   |
| Purchased Services                               | 2,928,933                   | 2,821,622    | 2,024,601         | 797,021                                                   |
| Materials and Supplies                           | 1,856,864                   | 2,454,799    | 1,968,933         | 485,866                                                   |
| Capital Outlay                                   | 770,185                     | 1,145,206    | 925,764           | 219,442                                                   |
| Other Expenses                                   | 1,456,818                   | 1,169,232    | 903,986           | 265,246                                                   |
| Total Instruction                                | 15,115,031                  | 17,834,849   | 14,009,401        | 3,825,448                                                 |
| Student Support Services:                        |                             |              |                   |                                                           |
| Salaries                                         | 703,765                     | 619,667      | 592,223           | 27,444                                                    |
| Employee Benefits                                | 231,758                     | 201,846      | 189,974           | 11,872                                                    |
| Purchased Services                               | 558,775                     | 555,724      | 345,468           | 210,256                                                   |
| Materials and Supplies                           | 256,374                     | 315,153      | 257,839           | 57,314                                                    |
| Capital Outlay                                   | 10,824                      | 10,875       | 8,422             | 2,453                                                     |
| Other Expenses                                   | 101,065                     | 88,472       | 58,794            | 29,678                                                    |
| Total Student Support Services                   | 1,862,561                   | 1,791,737    | 1,452,720         | 339,017                                                   |
| Instructional Media Services:                    |                             |              |                   |                                                           |
| Salaries                                         | 13,264                      | 12,801       | 12,006            | 795                                                       |
| Employee Benefits                                | 7,140                       | 6,627        | 4,015             | 2,612                                                     |
| Materials and Supplies                           | 3,915                       | 4,149        | 2,371             | 1,778                                                     |
| Capital Outlay                                   | 23,872                      | 22,542       | 20,231            | 2,311                                                     |
| Total Instructional Media Services               | 48,191                      | 46,119       | 38,623            | 7,496                                                     |
|                                                  |                             |              |                   | (Continued)                                               |

(Continued)

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**  
**SPECIAL REVENUE FUND - OTHER FEDERAL PROGRAMS (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                                       | Other Federal Programs Fund |              |                   | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|-------------------------------------------------------|-----------------------------|--------------|-------------------|-----------------------------------------------------------|
|                                                       | Budgeted Amounts            |              | Actual<br>Amounts |                                                           |
|                                                       | Original                    | Final        |                   |                                                           |
| EXPENDITURES                                          |                             |              |                   |                                                           |
| Current - Education: (Continued)                      |                             |              |                   |                                                           |
| Instruction and Curriculum Development Services:      |                             |              |                   |                                                           |
| Salaries                                              | \$ 5,986,231                | \$ 5,928,636 | \$ 5,527,995      | \$ 400,641                                                |
| Employee Benefits                                     | 1,731,422                   | 1,830,442    | 1,596,974         | 233,468                                                   |
| Purchased Services                                    | 163,712                     | 269,664      | 82,651            | 187,013                                                   |
| Materials and Supplies                                | 404,349                     | 113,784      | 42,947            | 70,837                                                    |
| Capital Outlay                                        | 82,495                      | 84,853       | 82,000            | 2,853                                                     |
| Other Expenses                                        | 83,764                      | 66,995       | 32,273            | 34,722                                                    |
| Total Instruction and Curriculum Development Services | 8,451,973                   | 8,294,374    | 7,364,840         | 929,534                                                   |
| Instructional Staff Training Services:                |                             |              |                   |                                                           |
| Salaries                                              | 2,542,086                   | 2,419,358    | 1,864,243         | 555,115                                                   |
| Employee Benefits                                     | 722,915                     | 693,602      | 547,943           | 145,659                                                   |
| Purchased Services                                    | 2,445,928                   | 1,624,694    | 904,155           | 720,539                                                   |
| Energy Services                                       | 500                         | 1,000        | -                 | 1,000                                                     |
| Materials and Supplies                                | 398,637                     | 501,324      | 281,195           | 220,129                                                   |
| Capital Outlay                                        | 17,803                      | 34,895       | 10,700            | 24,195                                                    |
| Other Expenses                                        | 180,491                     | 150,180      | 53,771            | 96,409                                                    |
| Total Instructional Staff Training Services           | 6,308,360                   | 5,425,053    | 3,662,007         | 1,763,046                                                 |
| Instruction-Related Technology:                       |                             |              |                   |                                                           |
| Salaries                                              | 1,002,800                   | 1,033,059    | 946,490           | 86,569                                                    |
| Employee Benefits                                     | 345,333                     | 351,455      | 324,511           | 26,944                                                    |
| Purchased Services                                    | 104,900                     | 99,500       | 905               | 98,595                                                    |
| Materials and Supplies                                | 19,500                      | 9,290        | 2,286             | 7,004                                                     |
| Capital Outlay                                        | 3,450                       | 1,396        | -                 | 1,396                                                     |
| Other Expenses                                        | 34,787                      | 6,432        | 6,112             | 320                                                       |
| Total Instruction-Related Technology                  | 1,510,770                   | 1,501,132    | 1,280,304         | 220,828                                                   |
| General Administration:                               |                             |              |                   |                                                           |
| Other Expenses                                        | 1,820,583                   | 1,830,804    | 1,414,765         | 416,039                                                   |
| Total General Administration                          | 1,820,583                   | 1,830,804    | 1,414,765         | 416,039                                                   |
| School Administration:                                |                             |              |                   |                                                           |
| Salaries                                              | 693                         | 38           | 38                | -                                                         |
| Employee Benefits                                     | 127                         | 7            | 7                 | -                                                         |
| Purchased Services                                    | 5,500                       | -            | -                 | -                                                         |
| Other Expenses                                        | -                           | 15,800       | 15,730            | 70                                                        |
| Total School Administration                           | 6,320                       | 15,845       | 15,775            | 70                                                        |
| Facilities Acquisition and Construction:              |                             |              |                   |                                                           |
| Other Capital Outlay                                  | 2,000                       | 5,948        | 5,948             | -                                                         |
| Total Facilities Acquisition and Construction         | 2,000                       | 5,948        | 5,948             | -                                                         |
| Food Services:                                        |                             |              |                   |                                                           |
| Salaries                                              | -                           | 52,813       | 52,813            | -                                                         |
| Employee Benefits                                     | -                           | 4,563        | 4,563             | -                                                         |
| Materials and Supplies                                | -                           | 4,543        | 4,543             | -                                                         |
| Other Expenses                                        | -                           | 1,566        | 1,566             | -                                                         |
| Total Food Services                                   | -                           | 63,485       | 63,485            | -                                                         |
| Central Services:                                     |                             |              |                   |                                                           |
| Salaries                                              | 123,366                     | 128,185      | 114,958           | 13,227                                                    |
| Employee Benefits                                     | 21,693                      | 40,489       | 29,160            | 11,329                                                    |
| Purchased Services                                    | 71,826                      | 44,570       | 22,618            | 21,952                                                    |
| Materials and Supplies                                | 1,608                       | 1,608        | -                 | 1,608                                                     |
| Other Expenses                                        | 8,600                       | 700          | 73                | 627                                                       |
| Total Central Services                                | 227,093                     | 215,552      | 166,809           | 48,743                                                    |
|                                                       |                             |              |                   | (Continued)                                               |

(Continued)

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**  
**SPECIAL REVENUE FUND - OTHER FEDERAL PROGRAMS (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                                          | <b>Other Federal Programs Fund</b> |                   |                   | <b>Variance with</b>  |
|----------------------------------------------------------|------------------------------------|-------------------|-------------------|-----------------------|
|                                                          | <b>Budgeted Amounts</b>            |                   | <b>Actual</b>     | <b>Final Budget -</b> |
|                                                          | <b>Original</b>                    | <b>Final</b>      | <b>Amounts</b>    | <b>Positive</b>       |
|                                                          |                                    |                   |                   | <b>(Negative)</b>     |
| <b>EXPENDITURES</b>                                      |                                    |                   |                   |                       |
| Current - Education: (Continued)                         |                                    |                   |                   |                       |
| Student Transportation Services:                         |                                    |                   |                   |                       |
| Salaries                                                 | \$ 1,716,610                       | \$ 1,846,610      | \$ 1,844,653      | \$ 1,957              |
| Employees Benefits                                       | 928,401                            | 821,401           | 758,043           | 63,358                |
| Purchased Services                                       | 28,112                             | 230,188           | 215,478           | 14,710                |
| Energy Services                                          | 2,000                              | -                 | -                 | -                     |
| Other Expenses                                           | 614,175                            | 388,870           | 189,330           | 199,540               |
| Total Student Transportation Services                    | 3,289,298                          | 3,287,069         | 3,007,504         | 279,565               |
| Operation of Plant:                                      |                                    |                   |                   |                       |
| Salaries                                                 | 200                                | 5,554             | 5,354             | 200                   |
| Employee Benefits                                        | 36                                 | 891               | 855               | 36                    |
| Purchased Services                                       | 11,550                             | 9,067             | 5,424             | 3,643                 |
| Materials and Supplies                                   | -                                  | 36,879            | 36,879            | -                     |
| Capital Outlay                                           | -                                  | 14,538            | 14,538            | -                     |
| Other Expenses                                           | 6,060                              | 6,060             | -                 | 6,060                 |
| Total Operation of Plant                                 | 17,846                             | 72,989            | 63,050            | 9,939                 |
| Administrative Technology Services:                      |                                    |                   |                   |                       |
| Salaries                                                 | 61,997                             | 65,090            | 64,854            | 236                   |
| Employee Benefits                                        | 20,647                             | 22,339            | 20,710            | 1,629                 |
| Total Administrative Technology Services                 | 82,644                             | 87,429            | 85,564            | 1,865                 |
| Community Services:                                      |                                    |                   |                   |                       |
| Employee Benefits                                        | 2,173                              | 483               | 483               | -                     |
| Purchased Services                                       | 6,327                              | 3,304             | 3,304             | -                     |
| Materials and Supplies                                   | 800                                | 5,043             | 5,043             | -                     |
| Other Expenses                                           | 1,020,943                          | 883,846           | 883,259           | 587                   |
| Total Community Services                                 | 1,030,243                          | 892,676           | 892,089           | 587                   |
| Capital Outlay:                                          |                                    |                   |                   |                       |
| Other Capital Outlay                                     | 201,998                            | 323,778           | 193,610           | 130,168               |
| Total Capital Outlay                                     | 201,998                            | 323,778           | 193,610           | 130,168               |
| <b>Total Expenditures</b>                                | <b>39,974,911</b>                  | <b>41,688,839</b> | <b>33,716,494</b> | <b>7,972,345</b>      |
| <b>Excess (Deficiency) of Revenues Over Expenditures</b> | <b>-</b>                           | <b>-</b>          | <b>-</b>          | <b>-</b>              |
| <b>Net Change in Fund Balances</b>                       | <b>-</b>                           | <b>-</b>          | <b>-</b>          | <b>-</b>              |
| Fund Balances, July 1, 2019                              | -                                  | -                 | -                 | -                     |
| <b>Fund Balances, June 30, 2020</b>                      | <b>\$ -</b>                        | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>           |

## **Debt Service Funds**

The Debt Service Funds are used to account for the payment of interest and principal of the current portion on long-term debt.

### **Nonmajor Debt Service Funds**

**State Board of Education (SBE) Bond Fund** - To account for and report on payment of principal, interest, and related costs on the State school bonds issued by the SBE on behalf of the District. These bonds are payable from the District's portion of the State-assessed motor vehicle license tax.

**Other Debt Service Fund** - (1) To account for and report on Certificate of Participation Issues, characterized as lease-purchase agreements. (2) To account for and report on the Sales Tax Revenue Bonds, Series 2016.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
DEBT SERVICE FUND - STATE BOARD OF EDUCATION (SBE) BONDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                                          | <b>State Board of Education (SBE) Bond Fund</b> |                  |                           |                                                                     |
|----------------------------------------------------------|-------------------------------------------------|------------------|---------------------------|---------------------------------------------------------------------|
|                                                          | <b>Budgeted Amounts</b>                         |                  | <b>Actual<br/>Amounts</b> | <b>Variance with<br/>Final Budget -<br/>Positive<br/>(Negative)</b> |
|                                                          | <b>Original</b>                                 | <b>Final</b>     |                           |                                                                     |
| <b>REVENUES</b>                                          |                                                 |                  |                           |                                                                     |
| State:                                                   |                                                 |                  |                           |                                                                     |
| CO&DS Withheld for SBE/COBI Bonds                        | \$ 217,355                                      | \$ 213,146       | \$ 213,146                | \$ -                                                                |
| Other State Sources                                      | -                                               | 297              | 297                       | -                                                                   |
| Total State                                              | 217,355                                         | 213,443          | 213,443                   | -                                                                   |
| <b>Total Revenues</b>                                    | 217,355                                         | 213,443          | 213,443                   | -                                                                   |
| <b>EXPENDITURES</b>                                      |                                                 |                  |                           |                                                                     |
| Debt Service:                                            |                                                 |                  |                           |                                                                     |
| Principal                                                | 158,000                                         | 158,000          | 158,000                   | -                                                                   |
| Interest and Fiscal Charges                              | 59,355                                          | 60,186           | 60,186                    | -                                                                   |
| Other Debt Service                                       | -                                               | 150,234          | 150,234                   | -                                                                   |
| <b>Total Expenditures</b>                                | 217,355                                         | 368,420          | 368,420                   | -                                                                   |
| <b>Excess (Deficiency) of Revenues Over Expenditures</b> | -                                               | (154,977)        | (154,977)                 | -                                                                   |
| <b>Other Financing Sources (Uses)</b>                    |                                                 |                  |                           |                                                                     |
| Refunded Bonds Issued                                    | -                                               | 126,000          | 126,000                   | -                                                                   |
| Premium on Refunded Bonds                                | -                                               | 24,818           | 24,818                    | -                                                                   |
| <b>Total Other Financing Sources (Uses)</b>              | -                                               | 150,818          | 150,818                   | -                                                                   |
| <b>Net Change in Fund Balances</b>                       | -                                               | (4,159)          | (4,159)                   | -                                                                   |
| Fund Balances, July 1, 2019                              | 30,149                                          | 30,149           | 30,149                    | -                                                                   |
| <b>Fund Balances, June 30, 2020</b>                      | <u>\$ 30,149</u>                                | <u>\$ 25,990</u> | <u>\$ 25,990</u>          | <u>\$ -</u>                                                         |

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**  
**DEBT SERVICE FUND - OTHER DEBT SERVICE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                                          | <b>Other Debt Service Fund</b> |                     |                       |                                                                     |
|----------------------------------------------------------|--------------------------------|---------------------|-----------------------|---------------------------------------------------------------------|
|                                                          | <b>Budgeted Amounts</b>        |                     | <b>Actual Amounts</b> | <b>Variance with<br/>Final Budget -<br/>Positive<br/>(Negative)</b> |
|                                                          | <b>Original</b>                | <b>Final</b>        |                       |                                                                     |
| <b>REVENUES</b>                                          |                                |                     |                       |                                                                     |
| Local:                                                   |                                |                     |                       |                                                                     |
| Interest Income                                          | \$ -                           | \$ -                | \$ -                  | \$ -                                                                |
| Total Local                                              | -                              | -                   | -                     | -                                                                   |
| <b>Total Revenues</b>                                    | -                              | -                   | -                     | -                                                                   |
| <b>EXPENDITURES</b>                                      |                                |                     |                       |                                                                     |
| Debt Service:                                            |                                |                     |                       |                                                                     |
| Principal                                                | 8,215,000                      | 8,215,000           | 8,215,000             | -                                                                   |
| Interest and Fiscal Charges                              | 2,417,500                      | 2,412,000           | 2,412,000             | -                                                                   |
| <b>Total Expenditures</b>                                | 10,632,500                     | 10,627,000          | 10,627,000            | -                                                                   |
| <b>Excess (Deficiency) of Revenues Over Expenditures</b> | (10,632,500)                   | (10,627,000)        | (10,627,000)          | -                                                                   |
| <b>OTHER FINANCING SOURCES (USES)</b>                    |                                |                     |                       |                                                                     |
| Transfers In                                             | 10,617,500                     | 10,387,375          | 10,387,375            | -                                                                   |
| <b>Total Other Financing Sources (Uses)</b>              | 10,617,500                     | 10,387,375          | 10,387,375            | -                                                                   |
| <b>Net Change in Fund Balances</b>                       | (15,000)                       | (239,625)           | (239,625)             | -                                                                   |
| Fund Balances, July 1, 2019                              | 9,978,384                      | 9,978,384           | 9,978,384             | -                                                                   |
| <b>Fund Balances, June 30, 2020</b>                      | <u>\$ 9,963,384</u>            | <u>\$ 9,738,759</u> | <u>\$ 9,738,759</u>   | <u>\$ -</u>                                                         |

## **Capital Projects Funds**

The Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings or additions to existing buildings, or for major renovation projects. Specific funding sources included herein are:

### **Nonmajor Capital Projects Funds**

**Public Education Capital Outlay Fund** – To account for and report on funds received from the State for the construction and maintenance of schools.

**Capital Outlay & Debt Service Fund** – To account for and report on the excess dollars received through the State's Capital Outlay & Debt Service (CO&DS) program, used for construction and maintenance of schools.

### **Major Capital Projects Funds**

**Local Capital Improvement Fund** - To account for the financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs, including new construction, renovation and remodeling projects, and debt service payments on certificates of participation.

**Other Fund** - To account for the financial resources generated by the local voted sales tax and various other financial resources restricted for educational capital outlay needs, including new construction, renovation, and remodeling projects.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**  
**CAPITAL PROJECTS FUND - PUBLIC EDUCATION CAPITAL OUTLAY**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                                   | Public Education Capital Outlay Fund |           |                   | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|---------------------------------------------------|--------------------------------------|-----------|-------------------|-----------------------------------------------------------|
|                                                   | Budgeted Amounts                     |           | Actual<br>Amounts |                                                           |
|                                                   | Original                             | Final     |                   |                                                           |
| REVENUES                                          |                                      |           |                   |                                                           |
| State:                                            |                                      |           |                   |                                                           |
| Public Education Capital Outlay                   | \$ -                                 | \$ -      | \$ -              | \$ -                                                      |
| Total State                                       | -                                    | -         | -                 | -                                                         |
| Total Revenues                                    | -                                    | -         | -                 | -                                                         |
| EXPENDITURES                                      |                                      |           |                   |                                                           |
| Current - Education:                              |                                      |           |                   |                                                           |
| Facilities Acquisition and Construction:          |                                      |           |                   |                                                           |
| Remodeling and Renovations                        | 735,281                              | 735,281   | 497,583           | 237,698                                                   |
| Total Facilities Acquisition and Construction     | 735,281                              | 735,281   | 497,583           | 237,698                                                   |
| Capital Outlay:                                   |                                      |           |                   |                                                           |
| Facilities Acquisition and Construction:          |                                      |           |                   |                                                           |
| Improvements Other Than Buildings                 | 115,000                              | 115,000   | -                 | 115,000                                                   |
| Total Facilities Acquisition and Construction     | 115,000                              | 115,000   | -                 | 115,000                                                   |
| Total Expenditures                                | 850,281                              | 850,281   | 497,583           | 352,698                                                   |
| Excess (Deficiency) of Revenues Over Expenditures | (850,281)                            | (850,281) | (497,583)         | 352,698                                                   |
| Net Change in Fund Balances                       | (850,281)                            | (850,281) | (497,583)         | 352,698                                                   |
| Fund Balances, July 1, 2019                       | 850,281                              | 850,281   | 850,281           | -                                                         |
| Fund Balances, June 30, 2020                      | \$ -                                 | \$ -      | \$ 352,698        | \$ 352,698                                                |

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
CAPITAL PROJECTS FUND - CAPITAL OUTLAY AND DEBT SERVICE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                                   | Capital Outlay & Debt Service Fund |              |                   | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|---------------------------------------------------|------------------------------------|--------------|-------------------|-----------------------------------------------------------|
|                                                   | Budgeted Amounts                   |              | Actual<br>Amounts |                                                           |
|                                                   | Original                           | Final        |                   |                                                           |
| REVENUES                                          |                                    |              |                   |                                                           |
| State:                                            |                                    |              |                   |                                                           |
| CO&DS Distribution                                | \$ 1,384,598                       | \$ 1,377,113 | \$ 1,377,113      | \$ -                                                      |
| Other State Sources                               | -                                  | 47,359       | 47,359            | -                                                         |
| Total State                                       | 1,384,598                          | 1,424,472    | 1,424,472         | -                                                         |
| Total Revenues                                    | 1,384,598                          | 1,424,472    | 1,424,472         | -                                                         |
| EXPENDITURES                                      |                                    |              |                   |                                                           |
| Current - Education:                              |                                    |              |                   |                                                           |
| Facilities Acquisition and Construction:          |                                    |              |                   |                                                           |
| Improvements Other Than Buildings                 | 435,738                            | 241,067      | -                 | 241,067                                                   |
| Remodeling and Renovations                        | 3,980,465                          | 6,158,721    | 1,304,074         | 4,854,647                                                 |
| Total Facilities Acquisition and Construction     | 4,416,203                          | 6,399,788    | 1,304,074         | 5,095,714                                                 |
| Capital Outlay:                                   |                                    |              |                   |                                                           |
| Facilities Acquisition and Construction:          |                                    |              |                   |                                                           |
| Furniture, Fixtures, and Equipment                | 455,015                            | -            | -                 | -                                                         |
| Total Facilities Acquisition and Construction     | 455,015                            | -            | -                 | -                                                         |
| Debt Service:                                     |                                    |              |                   |                                                           |
| Interest and Fiscal Charges                       | -                                  | 1,669        | 1,669             | -                                                         |
| Total Debt Service                                | -                                  | 1,669        | 1,669             | -                                                         |
| Total Expenditures                                | 4,871,218                          | 6,401,457    | 1,305,743         | 5,095,714                                                 |
| Excess (Deficiency) of Revenues Over Expenditures | (3,486,620)                        | (4,976,985)  | 118,729           | 5,095,714                                                 |
| Net Change in Fund Balances                       | (3,486,620)                        | (4,976,985)  | 118,729           | 5,095,714                                                 |
| Fund Balances, July 1, 2019                       | 5,015,190                          | 5,015,190    | 5,015,190         | -                                                         |
| Fund Balances, June 30, 2020                      | \$ 1,528,570                       | \$ 38,205    | \$ 5,133,919      | \$ 5,095,714                                              |

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
CAPITAL PROJECTS FUND - LOCAL CAPITAL IMPROVEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                                          | <b>Local Capital Improvement Fund</b> |                     |                     |                       |
|----------------------------------------------------------|---------------------------------------|---------------------|---------------------|-----------------------|
|                                                          | <b>Budgeted Amounts</b>               |                     | <b>Actual</b>       | <b>Variance with</b>  |
|                                                          | <b>Original</b>                       | <b>Final</b>        | <b>Amounts</b>      | <b>Final Budget -</b> |
|                                                          |                                       |                     |                     | <b>Positive</b>       |
|                                                          |                                       |                     |                     | <b>(Negative)</b>     |
| <b>REVENUES</b>                                          |                                       |                     |                     |                       |
| Local:                                                   |                                       |                     |                     |                       |
| Property Taxes                                           | \$ 26,540,167                         | \$ 26,719,561       | \$ 26,719,561       | \$ -                  |
| Interest Income                                          | -                                     | 160,074             | 160,074             | -                     |
| Other Local Sources                                      | -                                     | 5,065               | 5,065               | -                     |
| Total Local                                              | 26,540,167                            | 26,884,700          | 26,884,700          | -                     |
| <b>Total Revenues</b>                                    | 26,540,167                            | 26,884,700          | 26,884,700          | -                     |
| <b>EXPENDITURES</b>                                      |                                       |                     |                     |                       |
| Current - Education:                                     |                                       |                     |                     |                       |
| Facilities Acquisition and Construction:                 |                                       |                     |                     |                       |
| Furniture, Fixtures, and Equipment                       | 386,962                               | 3,656,309           | 3,368,262           | 288,047               |
| Improvements Other Than Buildings                        | 104,012                               | 252,138             | 72,141              | 179,997               |
| Remodeling and Renovations                               | 5,246,731                             | 5,605,728           | 3,267,664           | 2,338,064             |
| Computer Software                                        | 381,648                               | 381,648             | 292,044             | 89,604                |
| Total Facilities Acquisition and Construction            | 6,119,353                             | 9,895,823           | 7,000,111           | 2,895,712             |
| Capital Outlay:                                          |                                       |                     |                     |                       |
| Other Capital Outlay:                                    |                                       |                     |                     |                       |
| Furniture, Fixtures, and Equipment                       | 5,232,314                             | 2,031,505           | 1,082,884           | 948,621               |
| Motor Vehicles                                           | 4,587,261                             | 4,587,261           | 4,486,390           | 100,871               |
| Improvements Other Than Buildings                        | -                                     | 123,795             | 123,795             | -                     |
| Computer Software                                        | 132,000                               | 132,000             | -                   | 132,000               |
| Total Capital Outlay                                     | 9,951,575                             | 6,874,561           | 5,693,069           | 1,181,492             |
| <b>Total Expenditures</b>                                | 16,070,928                            | 16,770,384          | 12,693,180          | 4,077,204             |
| <b>Excess (Deficiency) of Revenues Over Expenditures</b> | 10,469,239                            | 10,114,316          | 14,191,520          | 4,077,204             |
| <b>Other Financing Sources (Uses)</b>                    |                                       |                     |                     |                       |
| Transfers Out                                            | (12,677,670)                          | (12,630,310)        | (11,534,639)        | 1,095,671             |
| <b>Total Other Financing Sources (Uses)</b>              | (12,677,670)                          | (12,630,310)        | (11,534,639)        | 1,095,671             |
| <b>Net Change in Fund Balances</b>                       | (2,208,431)                           | (2,515,994)         | 2,656,881           | 5,172,875             |
| Fund Balances, July 1, 2019                              | 5,494,416                             | 5,494,416           | 5,494,416           | -                     |
| <b>Fund Balances, June 30, 2020</b>                      | <b>\$ 3,285,985</b>                   | <b>\$ 2,978,422</b> | <b>\$ 8,151,297</b> | <b>\$ 5,172,875</b>   |

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**  
**CAPITAL PROJECTS FUND - OTHER CAPITAL PROJECTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                                          | <b>Other Capital Projects Fund</b> |                      |                      | <b>Variance with</b>  |
|----------------------------------------------------------|------------------------------------|----------------------|----------------------|-----------------------|
|                                                          | <b>Budgeted Amounts</b>            |                      | <b>Actual</b>        | <b>Final Budget -</b> |
|                                                          | <b>Original</b>                    | <b>Final</b>         | <b>Amounts</b>       | <b>Positive</b>       |
|                                                          |                                    |                      |                      | <b>(Negative)</b>     |
| <b>REVENUES</b>                                          |                                    |                      |                      |                       |
| State:                                                   |                                    |                      |                      |                       |
| Charter School Capital Outlay                            | \$ 397,526                         | \$ 374,388           | \$ 374,388           | \$ -                  |
| Other State Sources                                      | -                                  | 697,641              | 697,641              | -                     |
| Total State                                              | 397,526                            | 1,072,029            | 1,072,029            | -                     |
| Local:                                                   |                                    |                      |                      |                       |
| Sales Taxes                                              | 25,000,000                         | 28,259,025           | 28,259,025           | -                     |
| Interest Income                                          | -                                  | 1,337,132            | 1,337,132            | -                     |
| Other Local Sources                                      | -                                  | 1,439                | 1,439                | -                     |
| Total Local                                              | 25,000,000                         | 29,597,596           | 29,597,596           | -                     |
| <b>Total Revenues</b>                                    | <b>25,397,526</b>                  | <b>30,669,625</b>    | <b>30,669,625</b>    | <b>-</b>              |
| <b>EXPENDITURES</b>                                      |                                    |                      |                      |                       |
| Current - Education:                                     |                                    |                      |                      |                       |
| Facilities Acquisition and Construction:                 |                                    |                      |                      |                       |
| Furniture, Fixtures, and Equipment                       | 916,233                            | 528,798              | 476,690              | 52,108                |
| Improvements Other Than Buildings                        | 2,464,545                          | 2,725,717            | 1,003,925            | 1,721,792             |
| Remodeling and Renovations                               | 27,682,843                         | 28,615,152           | 12,542,653           | 16,072,499            |
| Total Facilities Acquisition and Construction            | 31,063,621                         | 31,869,667           | 14,023,268           | 17,846,399            |
| Capital Outlay:                                          |                                    |                      |                      |                       |
| Facilities Acquisition and Construction:                 |                                    |                      |                      |                       |
| Buildings and Fixed Equipment                            | 22,425,781                         | 31,987,238           | 13,852,391           | 18,134,847            |
| Furniture, Fixtures, and Equipment                       | 667,576                            | 913,018              | 147,113              | 765,905               |
| Land                                                     | -                                  | 307,787              | 307,787              | -                     |
| Improvements Other Than Buildings                        | 1,813,852                          | 3,671,237            | 2,064,148            | 1,607,089             |
| Remodeling and Renovations                               | 2,473,274                          | 606,676              | 294,798              | 311,878               |
| Total Facilities Acquisition and Construction            | 27,380,483                         | 37,485,956           | 16,666,237           | 20,819,719            |
| <b>Total Expenditures</b>                                | <b>58,444,104</b>                  | <b>69,355,623</b>    | <b>30,689,505</b>    | <b>38,666,118</b>     |
| <b>Excess (Deficiency) of Revenues Over Expenditures</b> | <b>(33,046,578)</b>                | <b>(38,685,998)</b>  | <b>(19,880)</b>      | <b>38,666,118</b>     |
| <b>Other Financing Sources (Uses)</b>                    |                                    |                      |                      |                       |
| Sale of Capital Assets                                   | -                                  | 511,377              | 511,377              | -                     |
| Transfers Out                                            | (6,178,026)                        | (6,154,888)          | (6,154,888)          | -                     |
| <b>Total Other Financing Sources (Uses)</b>              | <b>(6,178,026)</b>                 | <b>(5,643,511)</b>   | <b>(5,643,511)</b>   | <b>-</b>              |
| <b>Net Change in Fund Balances</b>                       | <b>(39,224,604)</b>                | <b>(44,329,509)</b>  | <b>(5,663,391)</b>   | <b>38,666,118</b>     |
| Fund Balances, July 1, 2019                              | 69,412,676                         | 69,412,676           | 69,412,676           | -                     |
| <b>Fund Balances, June 30, 2020</b>                      | <b>\$ 30,188,072</b>               | <b>\$ 25,083,167</b> | <b>\$ 63,749,285</b> | <b>\$ 38,666,118</b>  |

### **Internal Service Funds**

**Internal service funds are nonmajor proprietary funds and are reported as governmental-type activities. They are used to account for the financing of goods or services provided by one department to other departments within the District on a cost-reimbursement basis. The following funds are included in the internal service funds:**

**Risk Management Fund – To account for and report on funds received for and used by the District’s self-insured property, casualty, liability, and workers’ compensation program.**

**Employee Benefit Trust Fund – To account for and report on funds received for and used to pay for life, health, and dental insurance issued under the District’s self-insurance program.**

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**PROPRIETARY FUNDS - ALL INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

|                                           | <b>Governmental Activities</b>                    |                                            |                      |
|-------------------------------------------|---------------------------------------------------|--------------------------------------------|----------------------|
|                                           | <b>Proprietary Funds - Internal Service Funds</b> |                                            |                      |
|                                           | <b>Self-Insurance</b>                             |                                            |                      |
|                                           | <b>Risk<br/>Management<br/>Fund</b>               | <b>Employee<br/>Benefit Trust<br/>Fund</b> | <b>Total</b>         |
| <b>ASSETS</b>                             |                                                   |                                            |                      |
| Current Assets:                           |                                                   |                                            |                      |
| Cash and Cash Equivalents                 | \$ 23,800,536                                     | \$ 23,208,154                              | \$ 47,008,690        |
| Accounts Receivable                       | -                                                 | 502                                        | 502                  |
| Due from Other Funds                      | -                                                 | 8,905                                      | 8,905                |
| Due from Other Agencies                   | -                                                 | 4,014                                      | 4,014                |
| <b>TOTAL ASSETS</b>                       | <b>\$ 23,800,536</b>                              | <b>\$ 23,221,575</b>                       | <b>\$ 47,022,111</b> |
| <b>LIABILITIES</b>                        |                                                   |                                            |                      |
| Current Liabilities:                      |                                                   |                                            |                      |
| Accounts Payable                          | \$ 11,379                                         | \$ 157,616                                 | \$ 168,995           |
| Unearned Revenue                          | -                                                 | 3,667,942                                  | 3,667,942            |
| Estimated Insurance Claims Payable        | 4,055,665                                         | 2,843,000                                  | 6,898,665            |
| <b>Total Current Liabilities</b>          | <b>4,067,044</b>                                  | <b>6,668,558</b>                           | <b>10,735,602</b>    |
| Noncurrent Liabilities:                   |                                                   |                                            |                      |
| Estimated Insurance Claims Payable        | 19,733,492                                        | -                                          | 19,733,492           |
| <b>Total Noncurrent Liabilities</b>       | <b>19,733,492</b>                                 | <b>-</b>                                   | <b>19,733,492</b>    |
| <b>TOTAL LIABILITIES</b>                  | <b>23,800,536</b>                                 | <b>6,668,558</b>                           | <b>30,469,094</b>    |
| <b>NET POSITION</b>                       |                                                   |                                            |                      |
| Unrestricted                              | -                                                 | 16,553,017                                 | 16,553,017           |
| <b>Total Net Position</b>                 | <b>-</b>                                          | <b>16,553,017</b>                          | <b>16,553,017</b>    |
| <b>TOTAL LIABILITIES AND NET POSITION</b> | <b>\$ 23,800,536</b>                              | <b>\$ 23,221,575</b>                       | <b>\$ 47,022,111</b> |

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**PROPRIETARY FUNDS - ALL INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN FUND NET POSITION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                          | <b>Governmental Activities</b>                    |                                            |                      |
|------------------------------------------|---------------------------------------------------|--------------------------------------------|----------------------|
|                                          | <b>Proprietary Funds - Internal Service Funds</b> |                                            |                      |
|                                          | <b>Self-Insurance</b>                             |                                            |                      |
|                                          | <b>Risk<br/>Management<br/>Fund</b>               | <b>Employee<br/>Benefit Trust<br/>Fund</b> | <b>Total</b>         |
| <b>OPERATING REVENUES</b>                |                                                   |                                            |                      |
| Premium Revenues                         | \$ 4,831,069                                      | \$ 42,077,825                              | \$ 46,908,894        |
| Other                                    | -                                                 | 1,669,391                                  | 1,669,391            |
| <b>Total Operating Revenues</b>          | <b>4,831,069</b>                                  | <b>43,747,216</b>                          | <b>48,578,285</b>    |
| <b>OPERATING EXPENSES</b>                |                                                   |                                            |                      |
| Salaries                                 | 275,839                                           | 5,659                                      | 281,498              |
| Employee Benefits                        | 60,702                                            | 2,972                                      | 63,674               |
| Purchased Services                       | 720,317                                           | 4,758,812                                  | 5,479,129            |
| Energy Services                          | 2,846                                             | 8,691                                      | 11,537               |
| Material and Supplies                    | 2,007                                             | 11,076                                     | 13,083               |
| Insurance Claims                         | 1,280,276                                         | 35,046,565                                 | 36,326,841           |
| Other                                    | 2,559,524                                         | 1,314                                      | 2,560,838            |
| <b>Total Operating Expenses</b>          | <b>4,901,511</b>                                  | <b>39,835,089</b>                          | <b>44,736,600</b>    |
| <b>Operating Income (Loss)</b>           | <b>(70,442)</b>                                   | <b>3,912,127</b>                           | <b>3,841,685</b>     |
| <b>NONOPERATING REVENUES</b>             |                                                   |                                            |                      |
| Loss Recoveries                          | 70,442                                            | -                                          | 70,442               |
| <b>Total Nonoperating Revenues</b>       | <b>70,442</b>                                     | <b>-</b>                                   | <b>70,442</b>        |
| <b>Income (Loss) Before Transfers</b>    | <b>-</b>                                          | <b>3,912,127</b>                           | <b>3,912,127</b>     |
| <b>Change in Net Position</b>            | <b>-</b>                                          | <b>3,912,127</b>                           | <b>3,912,127</b>     |
| <b>NET POSITION</b>                      |                                                   |                                            |                      |
| Total Net Position, July 1, 2019         | -                                                 | 12,640,890                                 | 12,640,890           |
| <b>Total Net Position, June 30, 2020</b> | <b>\$ -</b>                                       | <b>\$ 16,553,017</b>                       | <b>\$ 16,553,017</b> |

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**PROPRIETARY FUNDS - ALL INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                                                                                       | <b>Governmental Activities</b>                    |                                    |                      |
|-------------------------------------------------------------------------------------------------------|---------------------------------------------------|------------------------------------|----------------------|
|                                                                                                       | <b>Proprietary Funds - Internal Service Funds</b> |                                    |                      |
|                                                                                                       | <b>Self-Insurance</b>                             |                                    |                      |
|                                                                                                       | <b>Risk Management Fund</b>                       | <b>Employee Benefit Trust Fund</b> | <b>Total</b>         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                                           |                                                   |                                    |                      |
| Cash Received from Board Funds and Participants                                                       | \$ 4,831,069                                      | \$ 43,701,525                      | \$ 48,532,594        |
| Cash Payments to Suppliers for Goods and Services                                                     | (723,909)                                         | (7,338,215)                        | (8,062,124)          |
| Cash Payments to Employees for Services                                                               | (345,172)                                         | -                                  | (345,172)            |
| Cash Payments for Interfund Services Used                                                             | (445,197)                                         | (172,223)                          | (617,420)            |
| Cash Payments for Insurance Claims                                                                    | (5,343,477)                                       | (33,322,928)                       | (38,666,405)         |
| <b>Net Cash Provided (Used) by Operating Activities</b>                                               | <b>(2,026,686)</b>                                | <b>2,868,159</b>                   | <b>841,473</b>       |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>                                                |                                                   |                                    |                      |
| Loss Recoveries                                                                                       | 70,442                                            | -                                  | 70,442               |
| <b>Net Cash Provided (Used) by Noncapital Financing Activities</b>                                    | <b>70,442</b>                                     | <b>-</b>                           | <b>70,442</b>        |
| <b>Net Increase (Decrease) in Cash and Cash Equivalents</b>                                           | <b>(1,956,244)</b>                                | <b>2,868,159</b>                   | <b>911,915</b>       |
| Beginning Cash and Cash Equivalents                                                                   | 25,756,780                                        | 20,339,995                         | 46,096,775           |
| <b>Ending Cash and Cash Equivalents</b>                                                               | <b>\$ 23,800,536</b>                              | <b>\$ 23,208,154</b>               | <b>\$ 47,008,690</b> |
| <b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b> |                                                   |                                    |                      |
| Operating Income (Loss)                                                                               | \$ (70,442)                                       | \$ 3,912,127                       | \$ 3,841,685         |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: |                                                   |                                    |                      |
| Changes in Assets and Liabilities:                                                                    |                                                   |                                    |                      |
| (Increase) Decrease in Accounts Receivable                                                            | -                                                 | 387                                | 387                  |
| (Increase) Decrease in Due From Other Funds                                                           | -                                                 | (8,905)                            | (8,905)              |
| (Increase) Decrease in Due From Other Agencies                                                        | -                                                 | (3,445)                            | (3,445)              |
| Increase (Decrease) in Accounts Payable                                                               | 1,889                                             | (141,632)                          | (139,743)            |
| Increase (Decrease) in Due to Other Funds                                                             | (445,197)                                         | (18,185)                           | (463,382)            |
| Increase (Decrease) in Unearned Revenue                                                               | -                                                 | (45,690)                           | (45,690)             |
| Increase (Decrease) in Estimated Insurance Claims Payable                                             | (1,512,936)                                       | (826,498)                          | (2,339,434)          |
| <b>Total Adjustments</b>                                                                              | <b>(1,956,244)</b>                                | <b>(1,043,968)</b>                 | <b>(3,000,212)</b>   |
| <b>Net Cash Provided (Used) by Operating Activities</b>                                               | <b>\$ (2,026,686)</b>                             | <b>\$ 2,868,159</b>                | <b>\$ 841,473</b>    |

## **Agency Funds**

**Agency funds are fiduciary funds used to account for resources held by the District in a trustee capacity or as an agent for individuals or private organizations. These resources include student and club activities funds that are held in trust for student, athletic, class, club activities, etc., and a voluntary employee benefits program.**

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2020**

|                                     | <b>Agency Funds</b> |                                        |                                      |
|-------------------------------------|---------------------|----------------------------------------|--------------------------------------|
|                                     | <b>Total</b>        | <b>Student and<br/>Club Activities</b> | <b>Employee<br/>Benefits Program</b> |
| <b>ASSETS</b>                       |                     |                                        |                                      |
| Cash                                | \$ 3,534,090        | \$ 3,386,521                           | \$ 147,569                           |
| <b>LIABILITIES</b>                  |                     |                                        |                                      |
| Internal Accounts Payable           | \$ 3,386,521        | \$ 3,386,521                           | \$ -                                 |
| Payroll Deductions and Withholdings | 147,569             | -                                      | 147,569                              |
| <b>Total Liabilities</b>            | \$ 3,534,090        | \$ 3,386,521                           | \$ 147,569                           |

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS - AGENCY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                     |  | Student and Club Activities |              |              |               |
|-------------------------------------|--|-----------------------------|--------------|--------------|---------------|
|                                     |  | June 30, 2019               | Additions    | Deletions    | June 30, 2020 |
| Assets                              |  |                             |              |              |               |
| Cash                                |  | \$ 3,301,410                | \$ 5,379,880 | \$ 5,294,769 | \$ 3,386,521  |
| Liabilities                         |  |                             |              |              |               |
| Internal Accounts Payable           |  | \$ 3,301,410                | \$ 5,379,880 | \$ 5,294,769 | \$ 3,386,521  |
|                                     |  |                             |              |              |               |
|                                     |  | Employee Benefits Program   |              |              |               |
|                                     |  | June 30, 2019               | Additions    | Deletions    | June 30, 2020 |
| Assets                              |  |                             |              |              |               |
| Cash                                |  | \$ 102,991                  | \$ 679,431   | \$ 634,853   | \$ 147,569    |
| Liabilities                         |  |                             |              |              |               |
| Payroll Deductions and Withholdings |  | \$ 102,991                  | \$ 679,431   | \$ 634,853   | \$ 147,569    |
|                                     |  |                             |              |              |               |
|                                     |  | Total                       |              |              |               |
|                                     |  | June 30, 2019               | Additions    | Deletions    | June 30, 2020 |
| Assets                              |  |                             |              |              |               |
| Cash                                |  | \$ 3,404,401                | \$ 6,059,311 | \$ 5,929,622 | \$ 3,534,090  |
| Liabilities                         |  |                             |              |              |               |
| Internal Accounts Payable           |  | \$ 3,301,410                | \$ 5,379,880 | \$ 5,294,769 | \$ 3,386,521  |
| Payroll Deductions and Withholdings |  | 102,991                     | 679,431      | 634,853      | 147,569       |
| Total Liabilities                   |  | \$ 3,404,401                | \$ 6,059,311 | \$ 5,929,622 | \$ 3,534,090  |

### **Discretely Presented Component Units**

The component units' columns in the basic financial statements, include the financial data of the District's discretely presented component units.

### **Nonmajor Discretely Presented Component Units**

The Escambia County Public Schools Foundation for Excellence, Inc. (Foundation), is a not-for-profit corporation organized and operated as a direct-support organization under Section 1001.453, Florida Statutes, to raise funds, receive, hold, invest, and administer property and to make expenditures for the benefit of the District. Section 1001.453, Florida Statutes, requires the Foundation to be authorized and approved by the District. The stated mission of the Foundation is to enhance the quality of education in Escambia County Public Schools through raising and distributing funds and in-kind contributions, fostering involvement in the public system. The Foundation is considered to be a component unit of the District because the District must approve all members of the Foundation's board and the District has the ability to impose its will on the Foundation. It is considered to be a discretely presented component unit because the two boards are not the same.

Beulah Academy of Science, Inc., Jacqueline Harris Preparatory Academy, Pensacola Beach Elementary School, Inc., Byrneville Elementary School, Inc., and Capstone Academy Pensacola (Charter Schools) are separate not-for-profit corporations organized pursuant to Chapter 617, Florida Statutes, the Florida Not For Profit Corporation Act, and Section 1002.33, Florida Statutes. These six charter schools operate under charters approved by their sponsor, the Board, and are considered to be component units of the District because the District is financially accountable for the charter schools as the District established the charter schools by approval of the charter, which is tantamount to the initial appointment of the charter schools, and there is the potential for the charter schools to impose specific financial burdens on the District. In addition, pursuant to the Florida Constitution, the charter schools are public schools and the District is responsible for the operation, control, and supervision of public schools within the District.

**DISTRICT SCHOOL BOARD OF ESCAMBA COUNTY, FLORIDA**  
**COMBINING STATEMENT OF NET POSITION**  
**COMPONENT UNITS**  
**JUNE 30, 2020**

|                                                                           | <b>Charter Schools</b>                                |                                                                 |                                                                   |                                                          |
|---------------------------------------------------------------------------|-------------------------------------------------------|-----------------------------------------------------------------|-------------------------------------------------------------------|----------------------------------------------------------|
|                                                                           | <b><i>Beulah<br/>Academy of<br/>Science, Inc.</i></b> | <b><i>Jacqueline<br/>Harris<br/>Preparatory<br/>Academy</i></b> | <b><i>Pensacola<br/>Beach<br/>Elementary<br/>School, Inc.</i></b> | <b><i>Byrneville<br/>Elementary<br/>School, Inc.</i></b> |
| <b>ASSETS</b>                                                             |                                                       |                                                                 |                                                                   |                                                          |
| Cash and Cash Equivalents                                                 | \$ 1,462,039                                          | \$ 309,366                                                      | \$ 561,510                                                        | \$ 851,345                                               |
| Accounts Receivable                                                       | 12,292                                                | -                                                               | 502,364                                                           | -                                                        |
| Prepaid Items                                                             | -                                                     | -                                                               | -                                                                 | 22,935                                                   |
| Due from Other Agencies                                                   | -                                                     | 10,045                                                          | -                                                                 | -                                                        |
| Capital Assets:                                                           |                                                       |                                                                 |                                                                   |                                                          |
| Non-Depreciable Capital Assets                                            | 428,690                                               | 530,871                                                         | -                                                                 | -                                                        |
| Depreciable Capital Assets, Net                                           | 1,768,551                                             | 2,496,607                                                       | 2,241,624                                                         | 188,577                                                  |
| <b>Total Assets</b>                                                       | <b>3,671,572</b>                                      | <b>3,346,889</b>                                                | <b>3,305,498</b>                                                  | <b>1,062,857</b>                                         |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                                     |                                                       |                                                                 |                                                                   |                                                          |
| Deferred Outflows Related to Pensions                                     | -                                                     | -                                                               | 210,454                                                           | 272,431                                                  |
| <b>Total Deferred Outflows of Resources</b>                               | <b>-</b>                                              | <b>-</b>                                                        | <b>210,454</b>                                                    | <b>272,431</b>                                           |
| <b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>                    | <b>\$ 3,671,572</b>                                   | <b>\$ 3,346,889</b>                                             | <b>\$ 3,515,952</b>                                               | <b>\$ 1,335,288</b>                                      |
| <b>LIABILITIES</b>                                                        |                                                       |                                                                 |                                                                   |                                                          |
| Salaries and Benefits Payable                                             | \$ 332                                                | \$ -                                                            | \$ 40,192                                                         | \$ -                                                     |
| Accounts Payable                                                          | 870                                                   | 21,283                                                          | 521,496                                                           | 49,189                                                   |
| Deposits Payable                                                          | -                                                     | -                                                               | -                                                                 | -                                                        |
| Long-Term Liabilities:                                                    |                                                       |                                                                 |                                                                   |                                                          |
| Portion Due Within One Year:                                              |                                                       |                                                                 |                                                                   |                                                          |
| Notes Payable                                                             | 70,058                                                | 202,981                                                         | -                                                                 | -                                                        |
| Obligations Under Capital Leases                                          | 3,001                                                 | -                                                               | -                                                                 | -                                                        |
| Compensated Absences Payable                                              | -                                                     | -                                                               | 14,479                                                            | 14,422                                                   |
| Portion Due After One Year:                                               |                                                       |                                                                 |                                                                   |                                                          |
| Notes Payable                                                             | 487,008                                               | 2,889,419                                                       | 47,456                                                            | -                                                        |
| Compensated Absences Payable                                              | -                                                     | -                                                               | -                                                                 | 29,619                                                   |
| Pension Liability                                                         | -                                                     | -                                                               | 542,496                                                           | 685,016                                                  |
| <b>Total Liabilities</b>                                                  | <b>561,269</b>                                        | <b>3,113,683</b>                                                | <b>1,166,119</b>                                                  | <b>778,246</b>                                           |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                      |                                                       |                                                                 |                                                                   |                                                          |
| Deferred Inflows Related to Pensions                                      | -                                                     | -                                                               | 45,586                                                            | 52,206                                                   |
| <b>Total Deferred Inflows of Resources</b>                                | <b>-</b>                                              | <b>-</b>                                                        | <b>45,586</b>                                                     | <b>52,206</b>                                            |
| <b>NET POSITION</b>                                                       |                                                       |                                                                 |                                                                   |                                                          |
| Net Investment in Capital Assets                                          | 1,637,174                                             | 166,543                                                         | 2,241,624                                                         | 188,577                                                  |
| Restricted for:                                                           |                                                       |                                                                 |                                                                   |                                                          |
| Other Required Carryover Programs                                         | -                                                     | -                                                               | -                                                                 | -                                                        |
| Unrestricted                                                              | 1,473,129                                             | 66,663                                                          | 62,623                                                            | 316,259                                                  |
| <b>Total Net Position - Component Units</b>                               | <b>3,110,303</b>                                      | <b>233,206</b>                                                  | <b>2,304,247</b>                                                  | <b>504,836</b>                                           |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b> | <b>\$ 3,671,572</b>                                   | <b>\$ 3,346,889</b>                                             | <b>\$ 3,515,952</b>                                               | <b>\$ 1,335,288</b>                                      |

| <u>Charter Schools</u>            |                              |                                                                           |                              |
|-----------------------------------|------------------------------|---------------------------------------------------------------------------|------------------------------|
| <i>Capstone Academy Pensacola</i> | <i>Total Charter Schools</i> | <i>The Escambia County Public Schools Foundation for Excellence, Inc.</i> | <i>Total Component Units</i> |
| \$ 126,262                        | \$ 3,310,522                 | \$ 915,007                                                                | \$ 4,225,529                 |
| 46,728                            | 561,384                      | 27,082                                                                    | 588,466                      |
| -                                 | 22,935                       | 1,650                                                                     | 24,585                       |
| 78,890                            | 88,935                       | -                                                                         | 88,935                       |
| 115,693                           | 1,075,254                    | -                                                                         | 1,075,254                    |
| 154,623                           | 6,849,982                    | 149                                                                       | 6,850,131                    |
| 522,196                           | 11,909,012                   | 943,888                                                                   | 12,852,900                   |
| -                                 | 482,885                      | -                                                                         | 482,885                      |
| -                                 | 482,885                      | -                                                                         | 482,885                      |
| \$ 522,196                        | \$ 12,391,897                | \$ 943,888                                                                | \$ 13,335,785                |
| \$ 18,831                         | \$ 59,355                    | \$ -                                                                      | \$ 59,355                    |
| -                                 | 592,838                      | 3,892                                                                     | 596,730                      |
| 7,000                             | 7,000                        | -                                                                         | 7,000                        |
| 40,794                            | 313,833                      | -                                                                         | 313,833                      |
| -                                 | 3,001                        | -                                                                         | 3,001                        |
| -                                 | 28,901                       | -                                                                         | 28,901                       |
| 50,894                            | 3,474,777                    | -                                                                         | 3,474,777                    |
| -                                 | 29,619                       | -                                                                         | 29,619                       |
| -                                 | 1,227,512                    | -                                                                         | 1,227,512                    |
| 117,519                           | 5,736,836                    | 3,892                                                                     | 5,740,728                    |
| -                                 | 97,792                       | -                                                                         | 97,792                       |
| -                                 | 97,792                       | -                                                                         | 97,792                       |
| -                                 | 4,233,918                    | 149                                                                       | 4,234,067                    |
| -                                 | -                            | 727,115                                                                   | 727,115                      |
| 404,677                           | 2,323,351                    | 212,732                                                                   | 2,536,083                    |
| 404,677                           | 6,557,269                    | 939,996                                                                   | 7,497,265                    |
| \$ 522,196                        | \$ 12,391,897                | \$ 943,888                                                                | \$ 13,335,785                |

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING STATEMENT OF ACTIVITIES**  
**COMPONENT UNITS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|                                                              | <b>Charter Schools</b>                            |                                                                 |                                                                   |                                                          |
|--------------------------------------------------------------|---------------------------------------------------|-----------------------------------------------------------------|-------------------------------------------------------------------|----------------------------------------------------------|
|                                                              | <b><i>Beulah Academy<br/>of Science, Inc.</i></b> | <b><i>Jacqueline<br/>Harris<br/>Preparatory<br/>Academy</i></b> | <b><i>Pensacola<br/>Beach<br/>Elementary<br/>School, Inc.</i></b> | <b><i>Byrneville<br/>Elementary<br/>School, Inc.</i></b> |
| <b>Functions/Programs</b>                                    |                                                   |                                                                 |                                                                   |                                                          |
| <b>Expenses:</b>                                             |                                                   |                                                                 |                                                                   |                                                          |
| Governmental Activities:                                     |                                                   |                                                                 |                                                                   |                                                          |
| Instruction                                                  | \$ 803,256                                        | \$ 794,595                                                      | \$ 701,568                                                        | \$ 1,176,616                                             |
| Student Support Services                                     | 41,820                                            | -                                                               | 4,566                                                             | -                                                        |
| Instructional Media Services                                 | 582                                               | -                                                               | -                                                                 | -                                                        |
| Instruction and Curriculum Development Services              | 29                                                | -                                                               | -                                                                 | -                                                        |
| Instructional Staff Training Services                        | 280                                               | -                                                               | -                                                                 | -                                                        |
| Instruction-Related Technology                               | -                                                 | -                                                               | 34,842                                                            | -                                                        |
| Board                                                        | -                                                 | -                                                               | -                                                                 | -                                                        |
| General Administration                                       | -                                                 | -                                                               | 108,626                                                           | 79,196                                                   |
| School Administration                                        | 244,464                                           | 204,279                                                         | 223,095                                                           | 199,106                                                  |
| Facilities Acquisition and Construction                      | 3,855                                             | -                                                               | 207,733                                                           | 2,580                                                    |
| Fiscal Services                                              | 14,963                                            | 60,000                                                          | 32,381                                                            | 14,355                                                   |
| Food Services                                                | 176,272                                           | -                                                               | -                                                                 | 5,420                                                    |
| Central Services                                             | 100,058                                           | 80,409                                                          | -                                                                 | 64,988                                                   |
| Student Transportation Services                              | 212,078                                           | 171,575                                                         | 14,255                                                            | 72,873                                                   |
| Operation of Plant                                           | 252,850                                           | 181,927                                                         | 286,322                                                           | 162,147                                                  |
| Maintenance of Plant                                         | 85,329                                            | 185,461                                                         | 706                                                               | -                                                        |
| Unallocated Interest on Long-Term Debt                       | 29,531                                            | 141,533                                                         | -                                                                 | -                                                        |
| Unallocated Depreciation Expense                             | -                                                 | -                                                               | -                                                                 | -                                                        |
| <b>Total Expenses</b>                                        | <b>1,965,367</b>                                  | <b>1,819,779</b>                                                | <b>1,614,094</b>                                                  | <b>1,777,281</b>                                         |
| <b>Program Revenues:</b>                                     |                                                   |                                                                 |                                                                   |                                                          |
| Charges for Services                                         | 30,145                                            | -                                                               | -                                                                 | 5,420                                                    |
| Operating Grants and Contributions                           | 267,665                                           | 96,936                                                          | 316,088                                                           | 107,618                                                  |
| Capital Grants and Contributions                             | -                                                 | 138,044                                                         | -                                                                 | -                                                        |
| <b>Total Program Revenues</b>                                | <b>297,810</b>                                    | <b>234,980</b>                                                  | <b>316,088</b>                                                    | <b>113,038</b>                                           |
| <b>Net Program Expense</b>                                   | <b>(1,667,557)</b>                                | <b>(1,584,799)</b>                                              | <b>(1,298,006)</b>                                                | <b>(1,664,243)</b>                                       |
| <b>General Revenues:</b>                                     |                                                   |                                                                 |                                                                   |                                                          |
| Grants and Contributions Not Restricted to Specific Programs | 1,844,928                                         | 1,608,185                                                       | 1,058,645                                                         | 1,299,737                                                |
| Unrestricted Investment Earnings                             | -                                                 | -                                                               | 9,295                                                             | 4,063                                                    |
| Miscellaneous                                                | 40                                                | 35,790                                                          | 13,511                                                            | 72,696                                                   |
| <b>Total General Revenues</b>                                | <b>1,844,968</b>                                  | <b>1,643,975</b>                                                | <b>1,081,451</b>                                                  | <b>1,376,496</b>                                         |
| <b>Change in Net Position</b>                                | <b>177,411</b>                                    | <b>59,176</b>                                                   | <b>(216,555)</b>                                                  | <b>(287,747)</b>                                         |
| <b>Net Position</b>                                          |                                                   |                                                                 |                                                                   |                                                          |
| Net Position, July 1, 2019                                   | 2,932,892                                         | 174,030                                                         | 2,520,802                                                         | 792,583                                                  |
| <b>Net Position, June 30, 2020</b>                           | <b>\$ 3,110,303</b>                               | <b>\$ 233,206</b>                                               | <b>\$ 2,304,247</b>                                               | <b>\$ 504,836</b>                                        |

| <u>Charter Schools</u>                    |                                  | <i>The Escambia<br/>County Public<br/>Schools<br/>Foundation for<br/>Excellence, Inc.</i> |                                      |
|-------------------------------------------|----------------------------------|-------------------------------------------------------------------------------------------|--------------------------------------|
| <i>Capstone<br/>Academy<br/>Pensacola</i> | <i>Total Charter<br/>Schools</i> |                                                                                           | <i>Total<br/>Component<br/>Units</i> |
| \$ 494,562                                | \$ 3,970,597                     | \$ 740,458                                                                                | \$ 4,711,055                         |
| -                                         | 46,386                           | -                                                                                         | 46,386                               |
| -                                         | 582                              | -                                                                                         | 582                                  |
| -                                         | 29                               | -                                                                                         | 29                                   |
| -                                         | 280                              | -                                                                                         | 280                                  |
| -                                         | 34,842                           | -                                                                                         | 34,842                               |
| 25                                        | 25                               | -                                                                                         | 25                                   |
| 20,684                                    | 208,506                          | 108,522                                                                                   | 317,028                              |
| 133,732                                   | 1,004,676                        | -                                                                                         | 1,004,676                            |
| -                                         | 214,168                          | -                                                                                         | 214,168                              |
| 4,290                                     | 125,989                          | -                                                                                         | 125,989                              |
| 1,029                                     | 182,721                          | -                                                                                         | 182,721                              |
| 71                                        | 245,526                          | -                                                                                         | 245,526                              |
| 6,081                                     | 476,862                          | -                                                                                         | 476,862                              |
| 25,110                                    | 908,356                          | -                                                                                         | 908,356                              |
| 403                                       | 271,899                          | -                                                                                         | 271,899                              |
| -                                         | 171,064                          | -                                                                                         | 171,064                              |
| 29,149                                    | 29,149                           | -                                                                                         | 29,149                               |
| <u>715,136</u>                            | <u>7,891,657</u>                 | <u>848,980</u>                                                                            | <u>8,740,637</u>                     |
| 150,574                                   | 186,139                          | -                                                                                         | 186,139                              |
| 94,414                                    | 882,721                          | -                                                                                         | 882,721                              |
| -                                         | 138,044                          | -                                                                                         | 138,044                              |
| <u>244,988</u>                            | <u>1,206,904</u>                 | <u>-</u>                                                                                  | <u>1,206,904</u>                     |
| <u>(470,148)</u>                          | <u>(6,684,753)</u>               | <u>(848,980)</u>                                                                          | <u>(7,533,733)</u>                   |
| 433,923                                   | 6,245,418                        | 946,384                                                                                   | 7,191,802                            |
| 51                                        | 13,409                           | 1,092                                                                                     | 14,501                               |
| -                                         | 122,037                          | 164,668                                                                                   | 286,705                              |
| <u>433,974</u>                            | <u>6,380,864</u>                 | <u>1,112,144</u>                                                                          | <u>7,493,008</u>                     |
| (36,174)                                  | (303,889)                        | 263,164                                                                                   | (40,725)                             |
| 440,851                                   | 6,861,158                        | 676,832                                                                                   | 7,537,990                            |
| <u>\$ 404,677</u>                         | <u>\$ 6,557,269</u>              | <u>\$ 939,996</u>                                                                         | <u>\$ 7,497,265</u>                  |



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# STATISTICAL SECTION



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## STATISTICAL SECTION

This part of the District School Board of Escambia County, Florida's comprehensive annual financial report presents detail information as a context for understanding what the information in the financial statements, notes disclosures and required supplementary information says about the District's overall financial health.

| <b>Contents</b>                                                                                                                                                                                                  | <b>Page</b> |
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| Financial Trend Information                                                                                                                                                                                      | 134         |
| <i>These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.</i>                                                   |             |
| Revenue Capacity Information                                                                                                                                                                                     | 142         |
| <i>These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.</i>                                                                     |             |
| Debt Capacity Information                                                                                                                                                                                        | 148         |
| <i>These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i> |             |
| Demographic and Economic Information                                                                                                                                                                             | 154         |
| <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.</i>                                      |             |
| Operating Information                                                                                                                                                                                            | 158         |
| <i>These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.</i>   |             |

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**NET POSITION BY COMPONENT - GOVERNMENT-WIDE**  
**LAST TEN FISCAL YEARS**  
**(Accrual Basis of Accounting)**  
**(Unaudited)**

|                                            | <b>Fiscal Year Ending</b> |                       |                       |
|--------------------------------------------|---------------------------|-----------------------|-----------------------|
|                                            | <b>June 30, 2011</b>      | <b>June 30, 2012</b>  | <b>June 30, 2013</b>  |
| <b>Governmental Activities:</b>            |                           |                       |                       |
| Net Investment in Capital Assets           | \$ 252,115,638            | \$ 254,218,697        | \$ 252,132,981        |
| Restricted                                 | 107,465,893               | 115,478,880           | 119,870,743           |
| Unrestricted                               | 22,166,216                | 5,025,406             | 90,030                |
| Total Governmental Activities Net Position | <u>\$ 381,747,747</u>     | <u>\$ 374,722,983</u> | <u>\$ 372,093,754</u> |

Note: The District no longer has business-type activities.

---

Source: District Records

| Fiscal Year Ending    |                       |                       |                       |                       |                       |                       |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| June 30, 2014         | June 30, 2015         | June 30, 2016         | June 30, 2017         | June 30, 2018         | June 30, 2019         | June 30, 2020         |
| \$ 269,930,903        | \$ 288,526,040        | \$ 234,417,599        | \$ 301,633,148        | \$ 341,718,135        | \$ 343,230,615        | \$ 353,513,610        |
| 121,223,565           | 115,241,269           | 182,241,764           | 129,167,248           | 105,923,265           | 115,734,971           | 107,245,269           |
| (2,969,337)           | (131,632,624)         | (140,330,443)         | (147,573,423)         | (162,827,890)         | (174,562,072)         | (179,476,727)         |
| <u>\$ 388,185,131</u> | <u>\$ 272,134,685</u> | <u>\$ 276,328,920</u> | <u>\$ 283,226,973</u> | <u>\$ 284,813,510</u> | <u>\$ 284,403,514</u> | <u>\$ 281,282,152</u> |

**DISTRICT SHOOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**CHANGES IN NET POSITION - GOVERNMENT-WIDE**  
**LAST TEN FISCAL YEARS**  
**(Accrual Basis of Accounting)**  
**(Unaudited)**

|                                                  | Fiscal Year Ending |                    |                    |                    |                    |                    |                    |                    |                    |                    |
|--------------------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                                                  | June 30, 2011      | June 30, 2012      | June 30, 2013      | June 30, 2014      | June 30, 2015      | June 30, 2016      | June 30, 2017      | June 30, 2018      | June 30, 2019      | June 30, 2020      |
| <b>Primary Government:</b>                       |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| <b>Expenses:</b>                                 |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| <b>Governmental Activities:</b>                  |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Instruction                                      | \$ 209,265,786     | \$ 197,679,286     | \$ 202,319,715     | \$ 200,433,368     | \$ 206,850,659     | \$ 213,251,178     | \$ 214,493,605     | \$ 214,425,693     | \$ 216,558,696     | \$ 228,520,682     |
| Student Support Services                         | 16,848,558         | 15,147,309         | 15,295,809         | 16,018,809         | 16,357,758         | 18,119,750         | 18,015,111         | 17,331,002         | 18,032,843         | 19,431,978         |
| Instructional Media Services                     | 4,772,147          | 4,223,246          | 4,170,561          | 4,224,367          | 4,400,081          | 4,763,360          | 4,752,394          | 4,517,610          | 4,492,359          | 4,911,047          |
| Instruction and Curriculum Development Services  | 11,008,291         | 9,883,085          | 9,685,168          | 10,038,942         | 10,450,035         | 12,301,860         | 13,390,752         | 13,201,725         | 13,268,349         | 15,391,672         |
| Instructional Staff Training Services            | 8,633,858          | 7,502,117          | 8,083,368          | 9,139,669          | 8,497,923          | 9,038,724          | 7,082,312          | 6,348,029          | 8,812,216          | 8,215,793          |
| Instruction-Related Technology                   | 4,254,642          | 4,054,693          | 4,295,397          | 4,401,182          | 4,165,597          | 4,598,508          | 4,620,276          | 4,736,281          | 4,620,929          | 4,797,813          |
| Board                                            | 1,444,331          | 1,353,109          | 1,272,572          | 1,196,527          | 1,223,781          | 1,370,750          | 1,290,759          | 1,300,560          | 7,528,891          | 1,280,383          |
| General Administration                           | 2,653,708          | 1,518,541          | 1,581,664          | 2,413,878          | 2,211,509          | 1,839,932          | 2,043,693          | 2,145,111          | 2,208,824          | 2,330,171          |
| School Administration                            | 14,358,227         | 13,427,115         | 14,123,325         | 14,787,725         | 14,978,087         | 16,420,126         | 16,829,076         | 15,858,774         | 17,121,281         | 18,725,797         |
| Facilities Acquisition and Construction          | 15,698,815         | 16,667,247         | 9,966,883          | 13,506,908         | 19,944,374         | 15,877,255         | 17,831,416         | 21,339,837         | 31,638,107         | 27,470,222         |
| Fiscal Services                                  | 2,299,755          | 2,180,152          | 2,401,752          | 2,164,484          | 2,335,937          | 2,428,612          | 2,321,692          | 2,330,536          | 2,332,863          | 2,571,315          |
| Food Service                                     | 18,486,692         | 20,414,794         | 21,199,498         | 20,988,484         | 20,515,294         | 20,327,540         | 21,082,132         | 21,261,023         | 21,462,250         | 19,945,691         |
| Central Services                                 | 3,967,315          | 4,629,028          | 5,019,010          | 4,791,656          | 5,050,783          | 5,488,570          | 5,999,352          | 6,062,529          | 6,829,979          | 7,089,056          |
| Student Transportation Services                  | 18,863,979         | 18,651,437         | 19,359,259         | 18,220,613         | 17,788,057         | 21,368,991         | 22,193,795         | 20,887,224         | 21,859,505         | 21,056,289         |
| Operation of Plant                               | 28,489,116         | 28,363,047         | 27,069,683         | 27,217,458         | 27,069,043         | 26,673,022         | 25,956,001         | 25,346,355         | 26,987,310         | 27,520,790         |
| Maintenance of Plant                             | 11,255,993         | 10,749,457         | 11,641,163         | 10,943,295         | 11,041,441         | 11,231,772         | 11,503,358         | 11,107,852         | 12,187,824         | 11,974,205         |
| Administrative Technology Services               | 3,781,038          | 3,891,979          | 3,911,729          | 3,948,080          | 3,508,846          | 3,586,559          | 3,514,601          | 3,479,380          | 3,511,314          | 4,083,262          |
| Community Services                               | 1,084,175          | 1,253,975          | 1,458,102          | 1,384,546          | 1,119,798          | 1,106,272          | 1,069,492          | 1,085,710          | 1,295,433          | 1,704,625          |
| Unallocated Interest on Long-Term Debt           | 2,643,630          | 2,404,644          | 2,105,728          | 1,883,019          | 1,855,933          | 3,051,758          | 2,149,676          | 1,658,723          | 1,430,676          | 1,045,942          |
| <b>Total Governmental Activities</b>             | <b>379,810,056</b> | <b>363,994,261</b> | <b>364,960,386</b> | <b>367,703,010</b> | <b>379,364,936</b> | <b>392,844,539</b> | <b>396,139,493</b> | <b>394,423,954</b> | <b>422,179,649</b> | <b>428,066,733</b> |
| <b>Program Revenues:</b>                         |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| <b>Governmental Activities:</b>                  |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Charges for Services:                            |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Instruction                                      | 1,344,462          | 1,302,174          | 1,040,440          | 1,154,747          | 916,332            | 1,197,625          | 1,162,564          | 1,189,505          | 1,192,531          | 1,340,912          |
| Facilities Acquisition and Construction          | -                  | -                  | 33,888             | 40,716             | 28,759             | 38,707             | 37,259             | 38,499             | 38,872             | 44,794             |
| Food Services                                    | 5,195,911          | 4,734,992          | 4,033,654          | 3,827,300          | 3,480,641          | 2,897,012          | 2,960,429          | 2,215,916          | 2,157,187          | 1,622,986          |
| Student Transportation Services                  | 262,892            | 437,998            | 256,127            | 252,548            | 241,944            | 259,827            | 254,942            | 162,620            | 439,208            | 185,166            |
| Community Services                               | -                  | -                  | 394,213            | 393,075            | 424,983            | 471,105            | 475,398            | 501,109            | 531,917            | 424,373            |
| Operating Grants and Contributions               | 14,392,698         | 15,000,374         | 16,029,099         | 15,890,352         | 16,484,055         | 18,028,039         | 17,245,206         | 19,920,098         | 19,554,877         | 17,136,341         |
| Capital Grants and Contributions                 | 11,338,456         | 1,966,452          | 2,583,367          | 2,632,234          | 6,094,047          | 4,800,120          | 5,133,006          | 2,730,986          | 2,938,854          | 1,662,132          |
| <b>Total Primary Government Program Revenues</b> | <b>32,534,419</b>  | <b>23,441,990</b>  | <b>24,370,788</b>  | <b>24,190,972</b>  | <b>27,670,761</b>  | <b>27,692,435</b>  | <b>27,268,804</b>  | <b>26,758,733</b>  | <b>26,853,446</b>  | <b>22,416,704</b>  |
| <b>Net (Expenses)/Revenues</b>                   |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Total Primary Government Net Expenses            | (347,275,637)      | (340,552,271)      | (340,589,598)      | (343,512,038)      | (351,694,175)      | (365,152,104)      | (368,870,689)      | (367,665,221)      | (395,326,203)      | (405,650,029)      |

(Continued)

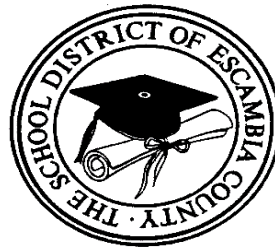
**DISTRICT SHOOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**CHANGES IN NET POSITION - GOVERNMENT-WIDE**  
**LAST TEN FISCAL YEARS**  
**(Accrual Basis of Accounting)**  
**(Unaudited)**

|                                                                             | Fiscal Year Ending |                |                |               |                  |               |               |               |               |                |
|-----------------------------------------------------------------------------|--------------------|----------------|----------------|---------------|------------------|---------------|---------------|---------------|---------------|----------------|
|                                                                             | June 30, 2011      | June 30, 2012  | June 30, 2013  | June 30, 2014 | June 30, 2015    | June 30, 2016 | June 30, 2017 | June 30, 2018 | June 30, 2019 | June 30, 2020  |
| <b>General Revenues and Other Changes in Net Position:</b>                  |                    |                |                |               |                  |               |               |               |               |                |
| <b>Governmental Activities:</b>                                             |                    |                |                |               |                  |               |               |               |               |                |
| Property Taxes:                                                             |                    |                |                |               |                  |               |               |               |               |                |
| Levied for Operational Purposes                                             | \$ 99,288,288      | \$ 92,658,245  | \$ 89,803,524  | \$ 91,977,693 | \$ 95,102,045    | \$ 91,336,026 | \$ 88,907,015 | \$ 88,593,488 | \$ 92,400,716 | \$ 93,739,773  |
| Levied for Capital Projects                                                 | 18,435,553         | 21,989,423     | 21,518,559     | 22,777,599    | 21,492,708       | 21,709,577    | 24,005,885    | 25,897,925    | 25,713,431    | 26,719,561     |
| Local Sales Taxes                                                           | 19,643,663         | 20,135,054     | 20,944,666     | 21,856,254    | 23,376,775       | 24,164,744    | 24,900,899    | 26,693,489    | 28,220,187    | 28,259,025     |
| Grants and Contributions Not Restricted to Specific Programs                | 230,271,976        | 195,648,584    | 202,402,869    | 219,193,213   | 222,905,305      | 228,438,767   | 233,409,076   | 235,440,637   | 240,182,926   | 248,290,407    |
| Unrestricted Investment Earnings                                            | 295,489            | 158,475        | 77,582         | 96,333        | 584,835          | 681,813       | 1,300,072     | 1,877,193     | 3,088,594     | 2,072,953      |
| Miscellaneous                                                               | 4,185,317          | 2,937,726      | 3,213,169      | 3,702,323     | 3,604,535        | 3,015,412     | 3,245,795     | 3,072,906     | 5,310,353     | 3,446,948      |
| Total Primary Government General Revenues and Other Changes in Net Position | 372,120,286        | 333,527,507    | 337,960,369    | 359,603,415   | 367,066,203      | 369,346,339   | 375,768,742   | 381,575,638   | 394,916,207   | 402,528,667    |
| <b>Changes in Net Position:</b>                                             |                    |                |                |               |                  |               |               |               |               |                |
| Governmental Activities                                                     | 24,844,649         | (7,024,764)    | (2,629,229)    | 16,091,377    | 15,372,028       | 4,194,235     | 6,898,053     | 13,910,417    | (409,996)     | (3,121,362)    |
| Adjustment to Net Position (a), (b)                                         | -                  | -              | -              | -             | (131,422,474)    | -             | -             | (12,323,880)  | -             | -              |
| Total Primary Government                                                    | \$ 24,844,649      | \$ (7,024,764) | \$ (2,629,229) | \$ 16,091,377 | \$ (116,050,446) | \$ 4,194,235  | \$ 6,898,053  | \$ 1,586,537  | \$ (409,996)  | \$ (3,121,362) |

(a) June 30, 2015 adjustment due to initial implementation of GASB 68 "Accounting and Financial Reporting for Pensions."

(b) June 30, 2018 adjustment due to initial implementation of GASB 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions."

Source: District Records



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**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified Accrual Basis of Accounting)**  
**(Unaudited)**

|                                     | Fiscal Year Ending   |                      |                       |                       |                      |                       |                       |                       |                      |                      |
|-------------------------------------|----------------------|----------------------|-----------------------|-----------------------|----------------------|-----------------------|-----------------------|-----------------------|----------------------|----------------------|
|                                     | June 30, 2011        | June 30, 2012        | June 30, 2013         | June 30, 2014         | June 30, 2015        | June 30, 2016         | June 30, 2017         | June 30, 2018         | June 30, 2019        | June 30, 2020        |
| <b>General Fund</b>                 |                      |                      |                       |                       |                      |                       |                       |                       |                      |                      |
| Nonspendable                        | \$ 1,215,720         | \$ 1,208,455         | \$ 1,208,455          | \$ 1,215,625          | \$ 1,208,455         | \$ 1,208,455          | \$ 1,399,578          | \$ 1,434,376          | \$ 1,548,283         | \$ 1,957,133         |
| Restricted                          | 9,184,279            | 13,311,648           | 9,106,284             | 17,486,027            | 13,050,637           | 12,301,277            | 14,472,496            | 11,032,511            | 12,954,094           | 15,327,201           |
| Assigned                            | 15,762,759           | 20,804,591           | 21,234,802            | 20,243,410            | 22,247,545           | 24,577,866            | 25,167,612            | 26,744,108            | 23,493,626           | 22,296,996           |
| Unassigned                          | 40,731,996           | 20,156,679           | 19,036,830            | 14,514,070            | 14,759,425           | 10,456,241            | 8,148,624             | 5,955,245             | 6,119,275            | 6,248,556            |
| Total General Fund                  | <u>\$ 66,894,754</u> | <u>\$ 55,481,373</u> | <u>\$ 50,586,371</u>  | <u>\$ 53,459,132</u>  | <u>\$ 51,266,062</u> | <u>\$ 48,543,839</u>  | <u>\$ 49,188,310</u>  | <u>\$ 45,166,240</u>  | <u>\$ 44,115,278</u> | <u>\$ 45,829,886</u> |
| <b>All Other Governmental Funds</b> |                      |                      |                       |                       |                      |                       |                       |                       |                      |                      |
| Nonspendable                        | \$ 1,334,910         | \$ 1,286,998         | \$ 1,600,470          | \$ 1,715,215          | \$ 1,977,837         | \$ 2,204,600          | \$ 1,916,224          | \$ 2,518,830          | \$ 2,105,294         | \$ 2,600,452         |
| Restricted                          | 92,954,183           | 95,657,391           | 106,024,402           | 102,022,323           | 91,533,061           | 159,853,016           | 144,366,037           | 100,991,717           | 96,383,009           | 91,448,216           |
| Total All Other Governmental Funds  | <u>\$ 94,289,093</u> | <u>\$ 96,944,389</u> | <u>\$ 107,624,872</u> | <u>\$ 103,737,538</u> | <u>\$ 93,510,898</u> | <u>\$ 162,057,616</u> | <u>\$ 146,282,261</u> | <u>\$ 103,510,547</u> | <u>\$ 98,488,303</u> | <u>\$ 94,048,668</u> |

Source: District Records

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified Accrual Basis of Accounting)**  
**(Unaudited)**

|                                                 | June 30, 2011      | June 30, 2012      | June 30, 2013      | June 30, 2014      | June 30, 2015      | June 30, 2016      | June 30, 2017      | June 30, 2018      | June 30, 2019      | June 30, 2020      |
|-------------------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Revenues:</b>                                |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| <b>Federal Direct:</b>                          |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Federal Impact, Current Operations              | \$ 920,990         | \$ 724,457         | \$ 701,600         | \$ 550,597         | \$ 615,566         | \$ 520,324         | \$ 407,487         | \$ 378,907         | \$ 573,760         | \$ 416,889         |
| Reserve Officers Training Corps (ROTC)          | 433,570            | 424,206            | 435,608            | 437,965            | 438,955            | 457,309            | 471,063            | 404,967            | 495,904            | 506,165            |
| Other Federal Direct Sources                    | 1,848,880          | 2,033,007          | 2,494,810          | 1,849,952          | 1,991,890          | 1,405,073          | 2,082,909          | 2,035,210          | 1,807,988          | 2,190,024          |
| <b>Total Federal Direct</b>                     | <b>3,203,440</b>   | <b>3,181,670</b>   | <b>3,632,018</b>   | <b>2,838,514</b>   | <b>3,046,411</b>   | <b>2,382,706</b>   | <b>2,961,459</b>   | <b>2,819,084</b>   | <b>2,877,652</b>   | <b>3,113,078</b>   |
| <b>Federal Through State and Local:</b>         |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Food Service                                    | 14,045,674         | 14,682,599         | 15,386,860         | 15,587,668         | 16,199,631         | 17,796,125         | 16,967,566         | 19,619,678         | 19,262,313         | 16,767,551         |
| Other Federal Through State and Local Sources   | 64,993,242         | 34,657,795         | 34,719,040         | 34,830,597         | 34,186,962         | 32,181,086         | 30,789,622         | 30,598,505         | 32,221,188         | 35,436,743         |
| <b>Total Federal Through State and Local</b>    | <b>79,038,916</b>  | <b>49,340,394</b>  | <b>50,105,900</b>  | <b>50,418,265</b>  | <b>50,386,593</b>  | <b>49,977,211</b>  | <b>47,757,188</b>  | <b>50,218,183</b>  | <b>51,483,501</b>  | <b>52,204,294</b>  |
| <b>State:</b>                                   |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Florida Education Finance Program (FEFP)        | 110,995,559        | 105,659,076        | 113,112,565        | 130,085,150        | 133,079,212        | 141,767,900        | 147,813,119        | 149,340,069        | 151,052,919        | 158,121,503        |
| Workforce Development                           | 4,532,780          | 4,765,518          | 4,778,222          | 4,895,677          | 4,880,129          | 4,586,924          | 4,525,985          | 4,060,898          | 4,084,457          | 3,794,637          |
| Adults with Disabilities                        | 219,164            | 187,087            | 160,690            | 162,244            | 167,298            | -                  | -                  | -                  | -                  | -                  |
| Categorical Educational Programs                | 42,556,763         | 42,960,100         | 43,640,836         | 43,315,211         | 45,171,285         | 46,190,066         | 43,599,683         | 44,500,630         | 44,606,358         | 45,160,624         |
| Discretionary Lottery Funds                     | 143,196            | 125,912            | -                  | 387,403            | 142,093            | -                  | 657,935            | 68,609             | 133,344            | 39,797             |
| CO&DS Distribution                              | 179,241            | 155,363            | 184,231            | 181,172            | 272,230            | 997,774            | 1,218,416          | 1,353,223          | 1,384,598          | 1,448,986          |
| CO&DS Withheld for SBE/COBI Bonds               | 1,408,787          | 1,449,634          | 1,427,398          | 1,441,102          | 1,288,789          | 621,725            | 371,843            | 282,396            | 205,661            | 213,146            |
| Public Education Capital Outlay                 | 2,262,924          | -                  | -                  | -                  | 787,693            | 912,198            | 1,388,480          | 1,081,559          | 898,479            | -                  |
| Food Service                                    | 347,024            | 317,775            | 301,994            | 302,684            | 284,424            | 279,694            | 277,640            | 277,420            | 276,324            | 368,790            |
| Other State Sources                             | 4,002,816          | 4,426,113          | 3,019,987          | 3,183,878          | 2,680,220          | 1,601,569          | 3,349,997          | 4,075,841          | 5,653,809          | 2,624,026          |
| <b>Total State</b>                              | <b>166,648,254</b> | <b>160,046,578</b> | <b>166,625,923</b> | <b>183,954,521</b> | <b>188,753,373</b> | <b>196,957,850</b> | <b>203,203,098</b> | <b>205,040,645</b> | <b>208,295,949</b> | <b>211,771,509</b> |
| <b>Local:</b>                                   |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Property Taxes                                  | 117,723,841        | 114,647,668        | 111,322,083        | 114,755,292        | 116,594,753        | 113,045,603        | 112,912,900        | 114,491,413        | 118,114,147        | 120,459,334        |
| Sales Taxes                                     | 19,643,663         | 20,135,054         | 20,944,666         | 21,856,254         | 23,376,775         | 24,164,744         | 24,900,899         | 26,693,489         | 28,220,187         | 28,259,025         |
| Charges for Food Service                        | 5,195,911          | 4,734,991          | 4,033,654          | 3,827,300          | 3,480,641          | 2,897,012          | 2,960,429          | 2,215,916          | 2,157,187          | 1,622,986          |
| Interest Income                                 | 281,179            | 141,013            | 55,362             | 96,333             | 596,541            | 734,149            | 1,300,072          | 1,877,193          | 3,088,593          | 2,072,954          |
| Other Local Sources                             | 5,423,005          | 4,289,095          | 4,440,036          | 5,718,317          | 5,079,049          | 4,734,649          | 5,175,958          | 4,964,639          | 5,382,739          | 4,958,399          |
| <b>Total Local</b>                              | <b>148,267,599</b> | <b>143,947,821</b> | <b>140,795,801</b> | <b>146,253,496</b> | <b>149,127,759</b> | <b>145,576,157</b> | <b>147,250,258</b> | <b>150,242,650</b> | <b>156,962,853</b> | <b>157,372,698</b> |
| <b>Total Revenues</b>                           | <b>397,158,209</b> | <b>356,516,463</b> | <b>361,159,642</b> | <b>383,464,796</b> | <b>391,314,136</b> | <b>394,893,924</b> | <b>401,172,003</b> | <b>408,320,562</b> | <b>419,619,955</b> | <b>424,461,579</b> |
| <b>Expenditures:</b>                            |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| <b>Current - Education:</b>                     |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Instruction                                     | 199,014,371        | 189,523,811        | 188,948,850        | 192,462,254        | 205,019,212        | 199,992,057        | 200,712,053        | 207,636,368        | 204,389,588        | 208,206,253        |
| Student Support Services                        | 16,569,587         | 15,268,235         | 14,898,648         | 15,986,593         | 16,849,656         | 17,679,276         | 17,586,716         | 17,534,208         | 17,734,020         | 18,441,599         |
| Instructional Media Services                    | 4,594,243          | 4,142,086          | 4,039,942          | 4,210,339          | 4,557,548          | 4,625,002          | 4,619,046          | 4,580,366          | 4,409,923          | 4,619,428          |
| Instruction and Curriculum Development Services | 10,918,167         | 9,985,299          | 9,438,703          | 9,927,607          | 10,540,383         | 12,027,098         | 13,093,815         | 13,211,227         | 13,055,927         | 14,818,085         |
| Instructional Staff Training Services           | 8,636,753          | 7,522,735          | 8,025,677          | 9,134,087          | 8,576,810          | 8,969,552          | 9,068,695          | 7,023,687          | 8,737,073          | 8,006,689          |
| Instruction-Related Technology Board            | 3,742,020          | 3,551,024          | 3,855,314          | 4,035,137          | 3,893,039          | 4,210,077          | 4,249,202          | 4,474,730          | 4,301,424          | 4,358,453          |
|                                                 | 1,413,818          | 1,325,749          | 1,236,702          | 1,194,064          | 1,264,067          | 1,336,050          | 1,259,018          | 1,316,342          | 7,508,557          | 1,215,971          |

(Continued)

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)  
(Unaudited)

|                                                   | June 30, 2011         | June 30, 2012         | June 30, 2013         | June 30, 2014         | June 30, 2015         | June 30, 2016         | June 30, 2017         | June 30, 2018         | June 30, 2019         | June 30, 2020         |
|---------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| General Administration                            | \$ 2,545,919          | \$ 1,405,283          | \$ 1,558,318          | \$ 2,409,159          | \$ 2,238,154          | \$ 1,817,686          | \$ 2,023,229          | \$ 2,156,983          | \$ 2,195,678          | \$ 2,282,488          |
| School Administration                             | 13,998,296            | 13,553,109            | 13,659,134            | 14,743,900            | 15,569,808            | 15,909,843            | 16,321,299            | 16,092,768            | 16,773,968            | 17,550,519            |
| Facilities Acquisition and Construction           | 12,200,265            | 14,446,528            | 9,776,555             | 13,324,504            | 17,898,083            | 14,961,023            | 16,566,965            | 17,130,892            | 28,010,865            | 23,699,137            |
| Fiscal Services                                   | 2,226,105             | 2,125,880             | 2,331,986             | 2,159,270             | 2,415,832             | 2,361,350             | 2,258,102             | 2,364,027             | 2,290,353             | 2,419,029             |
| Food Service                                      | 17,787,701            | 19,800,947            | 20,180,916            | 20,629,628            | 20,171,124            | 19,979,512            | 20,748,991            | 20,903,229            | 21,112,373            | 19,564,071            |
| Central Services                                  | 3,791,850             | 4,508,051             | 4,763,206             | 4,959,376             | 5,106,813             | 5,251,482             | 5,744,152             | 6,024,459             | 6,610,306             | 6,599,714             |
| Student Transportation Services                   | 16,556,430            | 16,865,818            | 16,134,634            | 16,362,999            | 16,274,752            | 18,911,080            | 19,599,099            | 18,479,788            | 19,324,952            | 17,808,682            |
| Operation of Plant                                | 28,290,543            | 28,074,548            | 26,741,413            | 27,123,194            | 27,292,882            | 26,333,337            | 25,600,740            | 25,352,221            | 26,695,254            | 26,717,118            |
| Maintenance of Plant                              | 10,813,898            | 10,196,603            | 10,985,410            | 10,592,744            | 10,953,267            | 10,706,582            | 10,953,447            | 11,042,054            | 11,747,008            | 11,184,278            |
| Administrative Technology Services                | 3,229,741             | 3,429,491             | 3,188,998             | 3,559,873             | 3,266,347             | 3,251,767             | 3,184,691             | 3,304,349             | 3,256,823             | 3,682,356             |
| Community Services                                | 1,081,523             | 1,251,320             | 1,446,291             | 1,379,526             | 1,123,431             | 1,093,821             | 1,052,813             | 1,083,138             | 1,281,861             | 1,674,496             |
| <b>Fixed Capital Outlay:</b>                      |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Facilities Acquisition and Construction           | 33,036,849            | 11,405,823            | 7,643,361             | 23,947,575            | 27,810,019            | 16,045,856            | 32,812,375            | 55,351,540            | 11,715,788            | 16,967,616            |
| Charter School Local Capital Improvement          | -                     | -                     | -                     | -                     | -                     | -                     | -                     | 271,558               | -                     | -                     |
| Other Capital Outlay                              | 2,949,474             | 1,723,958             | 2,191,130             | 1,381,185             | 1,622,740             | 1,458,065             | 3,735,249             | 8,964,459             | 6,981,585             | 7,035,730             |
| <b>Debt Service:</b>                              |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Principal                                         | 4,221,187             | 4,213,595             | 4,498,680             | 4,697,828             | 4,768,768             | 4,316,613             | 6,391,723             | 7,645,309             | 8,014,000             | 8,373,000             |
| Interest and Fiscal Charges                       | 2,507,998             | 2,295,429             | 2,105,728             | 1,952,012             | 1,619,850             | 1,650,018             | 3,567,865             | 3,059,376             | 2,846,672             | 2,624,089             |
| <b>Total Expenditures</b>                         | <b>400,126,738</b>    | <b>366,615,322</b>    | <b>357,649,596</b>    | <b>386,172,854</b>    | <b>408,832,585</b>    | <b>392,887,147</b>    | <b>419,104,277</b>    | <b>454,348,086</b>    | <b>428,993,998</b>    | <b>427,848,801</b>    |
| Excess (Deficiency) of Revenues Over Expenditures | (2,968,529)           | (10,098,859)          | 3,510,046             | (2,708,058)           | (17,518,449)          | 2,006,777             | (17,932,274)          | (46,027,524)          | (9,374,043)           | (3,387,222)           |
| <b>Other Financing Sources (Uses)</b>             |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Bonds Issued                                      | 225,000               | -                     | -                     | -                     | -                     | 51,910,000            | -                     | -                     | -                     | -                     |
| Refunding Bonds Issued                            | -                     | 2,625,000             | -                     | 229,000               | 627,000               | -                     | 812,000               | -                     | -                     | 126,000               |
| Refunding Certificates of Participation Issued    | -                     | 1,124,561             | -                     | -                     | 19,840,000            | -                     | -                     | -                     | -                     | -                     |
| Payment to Refunding Escrow Agent                 | -                     | (3,986,280)           | -                     | (186,007)             | (23,126,288)          | -                     | -                     | (945,961)             | -                     | -                     |
| Sale of Capital Assets                            | -                     | 1,669,973             | 924,408               | 1,113,573             | 1,877,010             | 1,369,143             | -                     | 165,893               | 3,281,282             | 511,377               |
| Loss Recoveries                                   | 7,474,473             | 45,345                | 650,765               | 500,000               | 3,285,325             | 1,896,824             | 1,865,544             | 13,808                | 19,555                | -                     |
| Premiums on Long-Term Debt Issued                 | 19,346                | 255,174               | -                     | 36,560                | 2,548,722             | 8,641,751             | 123,846               | -                     | -                     | 24,818                |
| Transfers In                                      | 11,369,796            | 16,156,101            | 16,449,253            | 12,691,682            | 13,632,905            | 76,884,490            | 19,047,008            | 19,511,380            | 24,431,929            | 17,689,527            |
| Transfers Out                                     | (11,792,293)          | (16,549,100)          | (15,748,991)          | (12,691,323)          | (13,585,935)          | (76,884,490)          | (19,047,008)          | (19,511,380)          | (24,431,929)          | (17,689,527)          |
| <b>Total Other Financing Sources (Uses)</b>       | <b>7,296,322</b>      | <b>1,340,774</b>      | <b>2,275,435</b>      | <b>1,693,485</b>      | <b>5,098,739</b>      | <b>63,817,718</b>     | <b>2,801,390</b>      | <b>(766,260)</b>      | <b>3,300,837</b>      | <b>662,195</b>        |
| Net Change in Fund Balances                       | 4,327,793             | (8,758,085)           | 5,785,481             | (1,014,573)           | (12,419,710)          | 65,824,495            | (15,130,884)          | (46,793,784)          | (6,073,206)           | (2,725,027)           |
| Fund Balances, Beginning                          | 156,856,054           | 161,183,847           | 152,425,762           | 158,211,243           | 157,196,670           | 144,776,960           | 210,601,455           | 195,470,571           | 148,676,787           | 142,603,581           |
| <b>Fund Balances, Ending</b>                      | <b>\$ 161,183,847</b> | <b>\$ 152,425,762</b> | <b>\$ 158,211,243</b> | <b>\$ 157,196,670</b> | <b>\$ 144,776,960</b> | <b>\$ 210,601,455</b> | <b>\$ 195,470,571</b> | <b>\$ 148,676,787</b> | <b>\$ 142,603,581</b> | <b>\$ 139,878,554</b> |
| <b>Debt Service as a Percentage of</b>            |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Noncapital Expenditures                           | 1.83%                 | 1.83%                 | 1.90%                 | 1.84%                 | 1.68%                 | 1.59%                 | 2.60%                 | 2.74%                 | 2.65%                 | 2.72%                 |

Source: District Records

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE**  
**LAST TEN FISCAL YEARS**  
**(Modified Accrual Basis of Accounting)**  
**(Unaudited)**

| <b>Fiscal<br/>Year<br/>Ending</b> | <b>Property Tax</b>         |                             | <b>Sales<br/>Tax</b> | <b>Total</b>   |
|-----------------------------------|-----------------------------|-----------------------------|----------------------|----------------|
|                                   | <b>General<br/>Purposes</b> | <b>Capital<br/>Projects</b> |                      |                |
| June 30, 2020                     | \$ 93,739,773               | \$ 26,719,561               | \$ 28,259,025        | \$ 148,718,359 |
| June 30, 2019                     | 92,400,715                  | 25,713,432                  | 28,220,187           | 146,334,334    |
| June 30, 2018                     | 88,593,488                  | 25,897,925                  | 26,693,489           | 141,184,902    |
| June 30, 2017                     | 88,907,015                  | 24,005,885                  | 24,900,899           | 137,813,799    |
| June 30, 2016                     | 91,336,026                  | 21,709,577                  | 24,164,744           | 137,210,347    |
| June 30, 2015                     | 95,102,045                  | 21,492,708                  | 23,376,775           | 139,971,528    |
| June 30, 2014                     | 91,977,693                  | 22,777,599                  | 21,856,254           | 136,611,546    |
| June 30, 2013                     | 89,803,524                  | 21,518,559                  | 20,944,666           | 132,266,749    |
| June 30, 2012                     | 92,658,245                  | 21,989,423                  | 20,135,054           | 134,782,722    |
| June 30, 2011                     | 99,288,288                  | 18,435,553                  | 19,643,663           | 137,367,504    |

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Source: Escambia County School District Comprehensive Annual Financial Report

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
(amounts expressed in thousands)  
(Unaudited)

| Fiscal Year | Assessed Value |                   |                             |                      | Less: Exemptions | Total Taxable Value | Ratio of Taxable Value to Assessed Value | Total Direct Rate |
|-------------|----------------|-------------------|-----------------------------|----------------------|------------------|---------------------|------------------------------------------|-------------------|
|             | Real Property  | Personal Property | Centrally Assessed Property | Total Assessed Value |                  |                     |                                          |                   |
| 2019-20     | \$ 25,035,088  | \$ 2,610,591      | \$ 28,841                   | \$ 27,674,520        | \$ 9,182,479     | \$ 18,492,041       | 66.82%                                   | 6.043             |
| 2018-19     | 22,296,476     | 2,402,193         | 30,531                      | 24,729,200           | 7,400,160        | 17,329,040          | 70.08%                                   | 6.325             |
| 2017-18     | 22,858,204     | 2,209,792         | 28,654                      | 25,096,650           | 8,961,807        | 16,134,843          | 64.29%                                   | 6.631             |
| 2016-17     | 21,934,790     | 2,217,288         | 28,109                      | 24,180,187           | 8,795,391        | 15,384,796          | 63.63%                                   | 6.876             |
| 2015-16     | 22,033,575     | 2,311,103         | 25,894                      | 24,370,572           | 9,580,692        | 14,789,880          | 60.69%                                   | 7.113             |
| 2014-15     | 21,376,740     | 2,258,532         | 25,486                      | 23,660,758           | 9,414,690        | 14,246,068          | 60.21%                                   | 7.322             |
| 2013-14     | 20,672,563     | 2,294,260         | 24,618                      | 22,991,441           | 9,351,572        | 13,639,869          | 59.33%                                   | 7.557             |
| 2012-13     | 20,587,109     | 2,204,413         | 22,872                      | 22,814,394           | 9,357,084        | 13,457,310          | 58.99%                                   | 7.758             |
| 2011-12     | 20,980,227     | 2,209,636         | 22,521                      | 23,212,384           | 9,457,325        | 13,755,059          | 59.26%                                   | 7.821             |
| 2010-11     | 21,357,418     | 2,303,807         | 21,196                      | 23,682,421           | 10,043,602       | 13,638,819          | 57.59%                                   | 7.860             |

Notes: Assessed values approximate estimated actual values.  
Tax rates per \$1,000 of assessed value.

Sources: Escambia County Property Appraiser and Florida Department of Revenue

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**PROPERTY TAX RATES**  
**DIRECT AND OVERLAPPING GOVERNMENTS**  
**LAST TEN FISCAL YEARS**  
(per \$1,000 Assessed Valuation)  
(Unaudited)

|                                                  | Fiscal Year |         |         |         |
|--------------------------------------------------|-------------|---------|---------|---------|
|                                                  | 2010-11     | 2011-12 | 2012-13 | 2013-14 |
| <b>Direct Rates:</b>                             |             |         |         |         |
| District School Board:                           |             |         |         |         |
| Local Required Effort                            | 5.631       | 5.573   | 5.510   | 5.309   |
| Discretionary Local                              | 0.748       | 0.748   | 0.748   | 0.748   |
| Supplemental Discretionary                       | 0.250       | 0.000   | 0.000   | 0.000   |
| Capital Improvement                              | 1.231       | 1.500   | 1.500   | 1.500   |
| Total District School Board                      | 7.860       | 7.821   | 7.758   | 7.557   |
| <b>Overlapping Rates:</b>                        |             |         |         |         |
| Escambia County                                  | 6.975       | 6.975   | 6.975   | 6.976   |
| Escambia County Municipal<br>Service Taxing Unit | 0.685       | 0.685   | 0.685   | 0.685   |
| City of Pensacola                                | 4.540       | 4.289   | 4.289   | 4.290   |
| City of Pensacola Downtown<br>Improvement Board  | 2.000       | 2.000   | 2.000   | 2.000   |
| Northwest Florida Water<br>Management            | 0.045       | 0.040   | 0.040   | 0.040   |
| Town of Century                                  | 0.905       | 0.905   | 0.905   | 0.901   |

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Source: Escambia County Tax Collector

| Fiscal Year |         |         |         |         |         |
|-------------|---------|---------|---------|---------|---------|
| 2014-15     | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
| 5.237       | 4.999   | 4.666   | 4.383   | 4.200   | 3.944   |
| 0.748       | 0.748   | 0.748   | 0.748   | 0.748   | 0.748   |
| 0.000       | 0.000   | 0.000   | 0.000   | 0.000   | 0.000   |
| 1.337       | 1.366   | 1.462   | 1.500   | 1.377   | 1.351   |
| 7.322       | 7.113   | 6.876   | 6.631   | 6.325   | 6.043   |
| 6.617       | 6.616   | 6.617   | 6.617   | 6.617   | 6.617   |
| 0.685       | 0.685   | 0.685   | 0.685   | 0.685   | 0.685   |
| 4.290       | 4.290   | 4.290   | 4.290   | 4.290   | 4.290   |
| 2.000       | 2.000   | 2.000   | 2.000   | 2.000   | 2.000   |
| 0.039       | 0.038   | 0.037   | 0.035   | 0.034   | 0.033   |
| 0.871       | 0.901   | 0.973   | 0.920   | 0.920   | 0.920   |

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**CURRENT AND NINE YEARS AGO**  
**(amounts expressed in thousands)**  
**(Unaudited)**

|                                         | Fiscal Year |                       |                                           |             |                       |                                           |
|-----------------------------------------|-------------|-----------------------|-------------------------------------------|-------------|-----------------------|-------------------------------------------|
|                                         | 2019-20     |                       |                                           | 2010-11     |                       |                                           |
| <b>Taxpayer</b>                         | <b>Rank</b> | <b>Assessed Value</b> | <b>Percentage of Total Assessed Value</b> | <b>Rank</b> | <b>Assessed Value</b> | <b>Percentage of Total Assessed Value</b> |
| Gulf Power Company                      | 1           | \$ 709,213            | 3.47%                                     | 1           | \$ 455,613            | 3.00%                                     |
| International Paper Company             | 2           | 267,086               | 1.31%                                     | 2           | 374,457               | 2.47%                                     |
| Ascend Performance/Solutia              | 3           | 128,613               | 0.63%                                     | 3           | 140,170               | 0.92%                                     |
| West Florida Regional Medical Center    | 4           | 113,654               | 0.56%                                     | 4           | 91,542                | 0.60%                                     |
| Navy Federal Credit Union               | 5           | 162,287               | 0.79%                                     |             |                       |                                           |
| City of Pensacola                       | 6           | 260,159               | 1.27%                                     |             |                       |                                           |
| Simon Debartolo Group / Simon Property  | 7           | 70,448                | 0.34%                                     | 8           | 35,322                | 0.23%                                     |
| Wal-Mart Stores, Inc.                   | 8           | 75,565                | 0.37%                                     | 6           | 64,397                | 0.42%                                     |
| Bellsouth Telecommunication             | 9           | 72,047                | 0.35%                                     | 5           | 71,747                | 0.47%                                     |
| Hallmark Waters/Tanglewood/Hunters      | 10          | 43,557                | 0.21%                                     |             |                       |                                           |
| Pensacola POB / Baptist Hospital        |             |                       |                                           | 9           | 66,231                | 0.44%                                     |
| CoxCom, Inc.                            |             |                       |                                           | 7           | 50,584                | 0.33%                                     |
| Exxon Mobil Chemical                    |             |                       |                                           | 10          | 40,191                | 0.26%                                     |
| <b>Totals</b>                           |             | <b>\$ 1,902,629</b>   | <b>9.30%</b>                              |             | <b>\$ 1,390,254</b>   | <b>9.14%</b>                              |
|                                         |             |                       |                                           |             |                       |                                           |
| Total Estimated Assessed Value - County |             | <b>\$ 20,463,365</b>  |                                           |             | <b>\$ 15,170,351</b>  |                                           |

Source: Escambia County Tax Collector, Escambia County School District

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**  
(Unaudited)

| Fiscal Year | Total Tax Levy | Fiscal Year Collections |                 | Delinquent Collections | Total Collections to Date |                 |
|-------------|----------------|-------------------------|-----------------|------------------------|---------------------------|-----------------|
|             |                | Amount                  | Percent of Levy |                        | Amount                    | Percent of Levy |
| 2019-20     | \$ 123,514,913 | \$ 120,279,150          | 97.38%          | \$ 180,184             | \$ 120,459,334            | 97.53%          |
| 2018-19     | 120,886,275    | 117,827,456             | 97.47%          | 286,691                | 118,114,147               | 97.71%          |
| 2017-18     | 118,700,546    | 113,897,590             | 95.95%          | 593,823                | 114,491,413               | 96.45%          |
| 2016-17     | 117,619,850    | 112,912,890             | 96.00%          | 346,574                | 113,259,464               | 96.29%          |
| 2015-16     | 116,836,952    | 109,306,823             | 93.56%          | 3,738,780              | 113,045,603               | 96.76%          |
| 2014-15     | 116,033,176    | 112,111,423             | 96.62%          | 4,483,330              | 116,594,753               | 100.48%         |
| 2013-14     | 114,760,128    | 110,015,982             | 95.87%          | 4,739,310              | 114,755,292               | 100.00%         |
| 2012-13     | 116,337,455    | 110,886,858             | 95.31%          | 435,225                | 111,322,083               | 95.69%          |
| 2011-12     | 119,882,566    | 114,257,815             | 95.31%          | 389,853                | 114,647,668               | 95.63%          |
| 2010-11     | 119,850,006    | 114,139,658             | 95.24%          | 3,584,183              | 117,723,841               | 98.23%          |

Note:

Property taxes become due and payable on November 1 of each year. A four percent (4%) discount is allowed if taxes are paid in November, with the discounts declining by one percent (1%) each month thereafter. Accordingly, taxes collected will never be 100 percent of the tax levy. Taxes become delinquent on April 1 of each year and tax certificates for the full amount of any unpaid taxes and assessments must be sold not later than June 1 of each year. Accordingly, the majority of taxes are collected in the fiscal year levied.

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Source: Escambia County Tax Collector, Escambia County School District

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
(Unaudited)

| Fiscal Year | Governmental Activities (A)    |                               |                         |                |                          | Percentage of Personal Income (B) | Per Capita (B) |
|-------------|--------------------------------|-------------------------------|-------------------------|----------------|--------------------------|-----------------------------------|----------------|
|             | State Board of Education Bonds | Certificates of Participation | Sales Tax Revenue Bonds | Capital Leases | Total Primary Government |                                   |                |
| 2019-20     | \$ 1,286,322                   | \$ 9,920,811                  | \$ 44,126,167           | \$ -           | \$ 55,333,300            | 0.405%                            | 172            |
| 2018-19     | 1,505,285                      | 14,548,717                    | 48,791,313              | -              | 64,845,315               | 0.499%                            | 204            |
| 2017-18     | 1,698,916                      | 18,981,622                    | 53,306,459              | -              | 73,986,997               | 0.597%                            | 236            |
| 2016-17     | 2,835,164                      | 23,167,836                    | 57,676,605              | -              | 83,679,605               | 0.924%                            | 270            |
| 2015-16     | 2,225,141                      | 27,477,464                    | 60,551,751              | -              | 90,254,356               | 0.787%                            | 294            |
| 2014-15     | 2,738,580                      | 31,635,983                    | -                       | -              | 34,374,563               | 0.313%                            | 112            |
| 2013-14     | 3,954,275                      | 35,063,539                    | -                       | -              | 39,017,814               | 0.351%                            | 128            |
| 2012-13     | 5,206,286                      | 38,611,793                    | -                       | -              | 43,818,079               | 0.406%                            | 146            |
| 2011-12     | 6,410,159                      | 42,016,050                    | -                       | -              | 48,426,209               | 0.470%                            | 162            |
| 2010-11     | 7,479,885                      | 45,087,833                    | -                       | 77,967         | 52,645,685               | 0.528%                            | 176            |

Sources:

(A) Annual Financial Report, CAFR

(B) See the table on Demographic and Economic Statistics for personal income and population data. These ratios are calculated using personal income and population for the calendar year.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**June 30, 2019**  
**(Unaudited)**

| Governmental Unit                        | State Board<br>of Education<br>Bonds | Sales Tax<br>Revenue<br>Bonds,<br>Series 2016 | Certificates<br>of<br>Participation | Direct Debt                  |                                                          |
|------------------------------------------|--------------------------------------|-----------------------------------------------|-------------------------------------|------------------------------|----------------------------------------------------------|
|                                          |                                      |                                               |                                     | Total<br>Debt<br>Outstanding | Percentage<br>Applicable to<br>This Governmental<br>Unit |
| Direct Debt:                             |                                      |                                               |                                     |                              |                                                          |
| District School Board of Escambia County | \$ 1,286,322                         | \$ 44,126,167                                 | \$ 9,920,811                        | \$ 55,333,300                | 100%                                                     |
| Overlapping Debt:                        |                                      |                                               |                                     |                              |                                                          |
| Escambia County (1)                      |                                      |                                               |                                     | 168,109,399                  | 100%                                                     |
| Total Direct and Overlapping Debt        |                                      |                                               |                                     | <u>\$ 223,442,699</u>        |                                                          |

(1) County debt outstanding was not determined at June 30, 2020, as their fiscal year ends on September 30. Consequently, September 30, 2019 data is reported.

Note: Overlapping debt is that debt of local governments and Escambia county which apply to property owners within the county. Not all overlapping debt applies to all county property owners.

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Source: District Records; Escambia County CAFR, Escambia County School District CAFR

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**PLEDGED REVENUE COVERAGE**  
**LOCAL SALES TAX\***  
**June 30, 2019**  
**(Unaudited)**

| Fiscal<br>Year | Sales Tax<br>Revenue | Debt Service |              | Total Debt<br>Service | Coverage |
|----------------|----------------------|--------------|--------------|-----------------------|----------|
|                |                      | Principal    | Interest     |                       |          |
| 2019-20        | \$ 28,259,025        | \$ 3,945,000 | \$ 1,835,500 | 5,780,500             | 4.89     |
| 2018-19        | 28,220,187           | 3,795,000    | 1,990,300    | 5,785,300             | 4.88     |
| 2017-18        | 26,693,489           | 3,650,000    | 2,139,200    | 5,789,200             | 4.61     |
| 2016-17        | 24,900,899           | 2,155,000    | 2,453,015    | 4,608,015             | 5.40     |

\*Series 2016 Sales Tax Revenue Bond was issued in January 2016. Therefore, data for a full 10-year presentation is not available. Service on the debt will end on September 1, 2027.

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Source: District Records; Escambia County CAFR

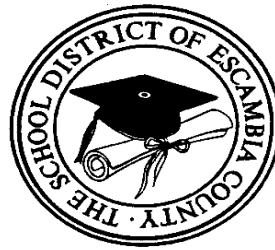
**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**  
(Unaudited)

| <b>Fiscal Year</b> | <b>Assessed Value</b> | <b>Debt Limit</b> | <b>Total Net Debt Applicable to Limit</b> | <b>Legal Debt Margin</b> | <b>Total Net Debt Applicable to Limit as a Percent of Debt Limit</b> |
|--------------------|-----------------------|-------------------|-------------------------------------------|--------------------------|----------------------------------------------------------------------|
| 2019-20            | \$ 20,439,336,895     | n/a               | \$ -                                      | \$ -                     | 0.00%                                                                |
| 2018-19            | 19,291,249,673        | n/a               | -                                         | -                        | 0.00%                                                                |
| 2017-18            | 17,937,051,307        | n/a               | -                                         | -                        | 0.00%                                                                |
| 2016-17            | 17,066,661,790        | n/a               | -                                         | -                        | 0.00%                                                                |
| 2015-16            | 16,413,934,013        | n/a               | -                                         | -                        | 0.00%                                                                |
| 2014-15            | 15,845,710,220        | n/a               | -                                         | -                        | 0.00%                                                                |
| 2013-14            | 15,185,937,304        | n/a               | -                                         | -                        | 0.00%                                                                |
| 2012-13            | 14,995,805,026        | n/a               | -                                         | -                        | 0.00%                                                                |
| 2011-12            | 15,328,183,064        | n/a               | -                                         | -                        | 0.00%                                                                |
| 2010-11            | 15,248,094,138        | n/a               | -                                         | -                        | 0.00%                                                                |

Note: The State of Florida does not have a limit on the amount of voter-approved debt.

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Source: District Records



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**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**ANTICIPATED CAPITAL OUTLAY MILLAGE LEVY**  
**REQUIRED TO COVER CERTIFICATES OF PARTICIPATION PAYMENTS**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

| <b>Fiscal Year</b> | <b>Taxable Assessed Value (A)</b> | <b>Annual Lease Payment</b> | <b>Millage Levy to Provide 1.00x Coverage (B)</b> |
|--------------------|-----------------------------------|-----------------------------|---------------------------------------------------|
| 2019-20            | \$ 20,439,337                     | \$ 4,270,000                | .22 Mills                                         |
| 2018-19            | 19,291,249                        | 4,850,625                   | .26 Mills                                         |
| 2017-18            | 17,937,051                        | 4,782,240                   | .28 Mills                                         |
| 2016-17            | 17,066,662                        | 5,060,278                   | .31 Mills                                         |
| 2015-16            | 16,413,934                        | 5,062,851                   | .32 Mills                                         |
| 2014-15            | 15,845,710                        | 5,109,849                   | .34 Mills                                         |
| 2013-14            | 15,185,937                        | 5,134,381                   | .35 Mills                                         |
| 2012-13            | 14,995,805                        | 5,136,131                   | .36 Mills                                         |
| 2011-12            | 15,328,183                        | 4,941,173                   | .34 Mills                                         |
| 2010-11            | 15,248,094                        | 4,945,453                   | .34 Mills                                         |

Notes: (A) Final assessed value is in thousands.

(B) Millage rate calculated using 96% of the taxable assessed valuation.

Capital lease arrangements financed by Certificates of Participation are not considered general obligation debt as no specific property tax levy has been pledged.

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Source: District Records

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

| <b>Fiscal Year</b> | <b>Population (A)</b> | <b>Personal Income</b> | <b>Per Capita Personal Income (A)</b> | <b>Median Age (A)</b> |
|--------------------|-----------------------|------------------------|---------------------------------------|-----------------------|
| 2019-20            | 321,134               | \$ 13,660,076,958      | \$ 42,537                             | 38.00                 |
| 2018-19            | 318,560               | 13,005,212,000         | 40,825                                | 38.00                 |
| 2017-18            | 313,381               | 12,385,130,501         | 39,521                                | 37.90                 |
| 2016-17            | 309,986               | 12,160,440,794         | 39,229                                | 37.90                 |
| 2015-16            | 306,944               | 11,464,972,288         | 37,352                                | 37.90                 |
| 2014-15            | 305,872               | 10,993,345,552         | 35,941                                | 37.70                 |
| 2013-14            | 305,817               | 11,118,282,852         | 36,356                                | 37.60                 |
| 2012-13            | 301,120               | 10,788,828,480         | 35,829                                | 38.30                 |
| 2011-12            | 299,511               | 10,301,381,334         | 34,394                                | 37.40                 |
| 2010-11            | 299,114               | 9,977,545,698          | 33,357                                | 37.00                 |

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Sources:

- (A) Florida Legislature Office of Economic and Demographic Research (Most recent data)
- (B) Florida Department of Economic Opportunity, Bureau of Workforce Statistics & Economic Research.
- (C) Student enrollment was obtained from District records. Starting in the 2013-14 fiscal year, student enrollment figures were capped by the Florida Department of Education at 1.0 unweighted FTE which reduced total enrollment numbers.

| <b>Unemployment<br/>Rate (B)</b> | <b>Student<br/>Enrollment (C)</b> | <b>Government-wide<br/>Governmental<br/>Activities<br/>Expenses</b> | <b>Cost per<br/>Student</b> |
|----------------------------------|-----------------------------------|---------------------------------------------------------------------|-----------------------------|
| 9.2%                             | 39,629.22                         | \$ 428,066,733                                                      | \$ 10,802                   |
| 3.5%                             | 39,584.86                         | 430,991,864                                                         | 10,888                      |
| 3.9%                             | 39,807.09                         | 394,423,954                                                         | 9,908                       |
| 4.4%                             | 39,859.07                         | 396,139,493                                                         | 9,939                       |
| 4.7%                             | 40,109.79                         | 392,844,539                                                         | 9,794                       |
| 5.7%                             | 40,155.69                         | 379,364,936                                                         | 9,447                       |
| 6.0%                             | 40,170.72                         | 367,703,010                                                         | 9,154                       |
| 6.7%                             | 40,340.18                         | 364,960,386                                                         | 9,047                       |
| 8.7%                             | 40,119.02                         | 363,994,261                                                         | 9,073                       |
| 10.2%                            | 39,657.75                         | 379,810,056                                                         | 9,577                       |



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**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**PRINCIPAL EMPLOYERS**  
**CURRENT AND NINE YEARS AGO**  
(Unaudited)

|                                        | Fiscal Year   |      |                           |               |       |                           |
|----------------------------------------|---------------|------|---------------------------|---------------|-------|---------------------------|
|                                        | 2019-20 (1)   |      |                           | 2010-11 (1)   |       |                           |
| Employer                               | Employees     | Rank | Percentage of Labor Force | Employees     | Rank  | Percentage of Labor Force |
| Local Government                       | 15,500        | 1    | 8.32%                     | 15,790        | 1     | 8.81%                     |
| Navy Federal Credit Union              | 8,375         | 2    | 4.50%                     |               |       |                           |
| State of Florida                       | 7,400         | 3    | 3.97%                     | 5,970         | 3     | 3.33%                     |
| Baptist Health Care                    | 7,347         | 4    | 3.94%                     | 3,163         | 5     | 1.77%                     |
| Federal Government                     | 6,800         | 5    | 3.65%                     | 7,403         | 2     | 4.13%                     |
| Sacred Heart Health Systems            | 4,820         | 6    | 2.59%                     | 5,000         | 4     | 2.79%                     |
| Gulf Power Company                     | 1,774         | 7    | 0.95%                     | 1,400         | 7 (T) | 0.78%                     |
| Solutia, Inc. / Ascend Perf. Materials | 1,288         | 8    | 0.69%                     | 1,400         | 7 (T) | 0.78%                     |
| West Florida Health Care               | 1,200         | 9    | 0.64%                     | 1,300         | 9     | 0.73%                     |
| Innisfree Hotels                       | 750           | 10   | 0.40%                     |               |       |                           |
| University of West Florida             |               |      |                           | 1,231         | 10    | 0.69%                     |
| Lakeview Center                        |               |      |                           | 2,000         | 6     | 1.12%                     |
| Total                                  | <u>55,254</u> |      | <u>29.65%</u>             | <u>44,657</u> |       | <u>24.93%</u>             |

Total Civilian Labor Force (2)                      186,258                      179,169

Sources:

(1) Escambia County Florida Comprehensive Annual Financial Report (CAFR) - Fiscal Year Ending June 30, 2019

(2) Florida Legislature Office of Economic and Demographic Research

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHOOL BUILDING INFORMATION & FULL-TIME EQUIVALENT ENROLLMENT DATA**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

|                                          | Placed in Service <sup>(1)</sup> | Square Footage <sup>(2)</sup> | Portables | Full-Time Equivalent Enrollment Data |           |           |           |           |           |           |           |           |           |
|------------------------------------------|----------------------------------|-------------------------------|-----------|--------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|                                          |                                  |                               |           | 2010-11                              | 2011-12   | 2012-13   | 2013-14   | 2014-15   | 2015-16   | 2016-17   | 2017-18   | 2018-19   | 2019-20   |
| Elementary Schools/K-8                   |                                  |                               |           |                                      |           |           |           |           |           |           |           |           |           |
| Allen Elementary                         | 1956                             | 86,479                        | -         | 652.44                               | 628.36    | 632.13    | 563.93    | 577.49    | 616.68    | 613.47    | 599.61    | 635.25    | 579.75    |
| Bellview Elementary                      | 1950                             | 98,997                        | 1         | 672.10                               | 698.00    | 746.50    | 696.10    | 720.25    | 750.09    | 761.17    | 727.06    | 628.19    | 612.48    |
| Beulah Elementary                        | 1980                             | 111,503                       | 18        | 844.84                               | 887.80    | 896.00    | 920.11    | 967.64    | 963.52    | 991.32    | 978.19    | 919.81    | 904.68    |
| Bibbs Elementary                         | 1962                             | 57,871                        | -         | 242.86                               | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| Blue Angels Elementary                   | 1999                             | 127,545                       | 2         | 871.90                               | 884.76    | 989.10    | 849.17    | 913.43    | 943.19    | 881.70    | 871.85    | 813.85    | 829.60    |
| Bratt Elementary                         | 1980                             | 75,727                        | 5         | 422.30                               | 436.02    | 438.91    | 414.96    | 401.14    | 418.33    | 425.33    | 476.12    | 476.74    | 477.22    |
| Brentwood Elementary                     | 1937                             | 63,682                        | 2         | 535.68                               | 542.87    | 555.39    | 616.97    | 585.98    | 578.77    | 557.12    | 523.07    | 470.95    | 390.64    |
| Caro Elementary                          | 1989                             | 116,550                       | 8         | 912.02                               | 943.06    | 908.97    | 952.20    | 954.91    | 895.03    | 837.11    | 830.39    | 806.95    | 759.88    |
| Cook Elementary                          | 1997                             | 119,719                       | -         | 658.59                               | 628.50    | 635.72    | 622.13    | 579.89    | 587.39    | 593.80    | 599.12    | 566.98    | 558.45    |
| Cordova Park Elementary                  | 1962                             | 91,297                        | 7         | 659.22                               | 713.52    | 677.22    | 707.88    | 680.48    | 682.43    | 704.79    | 659.61    | 618.55    | 598.64    |
| Ensley Elementary                        | 1959                             | 71,449                        | 10        | 406.52                               | 442.93    | 427.16    | 457.85    | 474.93    | 493.22    | 474.93    | 439.76    | 380.61    | 396.12    |
| Ferry Pass Elementary                    | 1957                             | 85,515                        | 9         | 706.56                               | 708.42    | 622.66    | 688.46    | 724.37    | 679.90    | 591.64    | 603.91    | 617.30    | 587.48    |
| Global Learning Academy                  | 2011                             | 130,802                       | -         | -                                    | 780.06    | 753.14    | 757.43    | 757.96    | 726.80    | 739.26    | 649.06    | 579.33    | 535.91    |
| Hallmark Elementary                      | 1928                             | 36,993                        | 3         | 210.84                               | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| Holm Elementary                          | 1999                             | 110,777                       | 1         | 491.35                               | 471.58    | 430.67    | 440.04    | 470.40    | 499.21    | 489.95    | 449.53    | 449.29    | 485.26    |
| Kingsfield Elementary                    | 2018                             | 118,310                       | -         | -                                    | -         | -         | -         | -         | -         | -         | -         | 624.23    | 777.91    |
| Lincoln Park Elementary                  | 1961                             | 64,540                        | 1         | 225.60                               | 261.56    | 276.44    | 140.02    | 147.40    | 179.88    | 172.38    | 229.30    | 286.42    | 274.08    |
| Lipscomb Elementary                      | 1991                             | 125,142                       | 10        | 945.39                               | 903.03    | 911.39    | 926.99    | 931.84    | 921.90    | 879.04    | 869.40    | 844.02    | 806.78    |
| Longleaf Elementary                      | 1975                             | 91,612                        | 3         | 717.83                               | 730.88    | 690.67    | 784.36    | 772.13    | 770.94    | 722.20    | 659.80    | 565.56    | 563.67    |
| McArthur Elementary                      | 1975                             | 107,456                       | 11        | 704.10                               | 686.64    | 693.60    | 740.55    | 762.06    | 770.49    | 752.01    | 744.94    | 702.98    | 660.34    |
| Molino Park Elementary                   | 2002                             | 129,069                       | -         | 387.18                               | 397.26    | 387.26    | 381.35    | 415.13    | 410.79    | 422.45    | 440.86    | 457.82    | 465.40    |
| Montclair Elementary                     | 1960                             | 69,993                        | 2         | 332.80                               | 373.04    | 363.04    | 341.33    | 308.66    | 356.06    | 314.68    | 303.90    | 366.53    | 404.13    |
| Myrtle Grove Elementary                  | 1936                             | 82,080                        | 6         | 661.41                               | 662.82    | 677.72    | 703.69    | 606.89    | 657.60    | 611.09    | 517.70    | 560.86    | 557.78    |
| Navy Point Elementary                    | 1954                             | 79,369                        | -         | 435.80                               | 481.62    | 483.58    | 508.65    | 449.89    | 495.59    | 571.33    | 488.85    | 512.00    | 468.53    |
| Oakcrest Elementary                      | 1956                             | 85,505                        | 17        | 448.61                               | 470.03    | 518.35    | 602.87    | 663.55    | 568.83    | 518.23    | 521.00    | 519.43    | 507.50    |
| Pine Meadow Elementary                   | 1960                             | 87,754                        | 4         | 844.88                               | 856.67    | 909.03    | 942.99    | 905.42    | 920.55    | 906.51    | 940.59    | 629.67    | 669.87    |
| Pleasant Grove Elementary                | 1948                             | 70,718                        | 6         | 666.57                               | 675.09    | 680.62    | 631.70    | 729.36    | 670.16    | 626.56    | 676.74    | 594.42    | 525.58    |
| Scenic Heights Elementary                | 1960                             | 110,679                       | 11        | 782.45                               | 780.00    | 841.67    | 872.57    | 762.30    | 815.99    | 801.85    | 910.43    | 819.15    | 836.27    |
| Semmes Elementary                        | 1955                             | 72,751                        | 2         | 263.26                               | 335.69    | 366.24    | 405.43    | 397.86    | 377.29    | 429.06    | 451.36    | 398.66    | 420.48    |
| Sherwood Elementary                      | 1958                             | 85,082                        | 1         | 532.50                               | 509.20    | 526.66    | 589.50    | 605.46    | 615.82    | 598.21    | 573.88    | 513.82    | 478.70    |
| Suter Elementary                         | 2015                             | 110,295                       | -         | 400.23                               | 367.58    | 434.72    | 423.62    | 437.37    | 538.94    | 586.77    | 576.76    | 565.11    | 564.65    |
| Warrington Elementary                    | 1947                             | 74,225                        | 10        | 516.25                               | 508.12    | 483.24    | 485.95    | 425.29    | 429.36    | 379.78    | 374.40    | 319.84    | 296.83    |
| Weis Elementary                          | 1990                             | 111,549                       | -         | 464.15                               | 487.68    | 492.60    | 573.90    | 545.03    | 494.12    | 444.33    | 473.59    | 467.77    | 482.69    |
| West Pensacola Elementary                | 1955                             | 82,099                        | 8         | 499.98                               | 497.94    | 472.12    | 404.83    | 425.20    | 439.63    | 506.95    | 502.91    | 526.40    | 548.56    |
| Yniestra Elementary                      | 1938                             | 39,600                        | 1         | 256.63                               | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| Total Elementary Schools                 |                                  |                               | 159       | 18,372.84                            | 18,750.73 | 18,922.52 | 19,147.53 | 19,099.71 | 19,268.50 | 18,905.02 | 18,663.69 | 18,238.49 | 18,025.86 |
| Middle Schools                           |                                  |                               |           |                                      |           |           |           |           |           |           |           |           |           |
| Bailey Middle School                     | 1993                             | 201,368                       | 12        | 1,479.60                             | 1,406.93  | 1,400.90  | 1,481.31  | 1,389.71  | 1,345.55  | 1,355.79  | 1,372.55  | 1,392.34  | 1,305.45  |
| Bellview Middle School                   | 1961                             | 158,235                       | 8         | 1,107.60                             | 1,071.40  | 1,110.69  | 980.69    | 1,019.59  | 1,009.27  | 972.73    | 1,004.94  | 991.08    | 1,003.62  |
| Beulah Middle School                     | 2018                             | 175,680                       | -         | -                                    | -         | -         | -         | -         | -         | -         | -         | 824.53    | 1,040.86  |
| Brown Barge Middle School <sup>(3)</sup> | 1955                             | 113,127                       | -         | 617.50                               | 610.70    | 620.99    | 594.23    | 576.87    | 536.36    | 549.83    | 570.57    | 557.78    | 512.69    |
| Ferry Pass Middle School                 | 1961                             | 153,755                       | 3         | 946.00                               | 889.82    | 980.71    | 1,011.74  | 987.37    | 1,023.05  | 1,049.24  | 1,052.39  | 1,206.63  | 1,106.84  |
| Ransom Middle School                     | 1987                             | 190,378                       | 11        | 1,312.30                             | 1,356.40  | 1,360.09  | 1,429.64  | 1,392.08  | 1,331.97  | 1,388.04  | 1,449.59  | 1,271.80  | 1,309.69  |
| Ward Middle School                       | 2015                             | 121,676                       | -         | 480.00                               | 465.58    | 461.33    | 458.58    | 453.79    | 459.52    | 432.56    | 486.20    | 485.84    | 484.91    |
| Warrington Middle School                 | 1953                             | 137,998                       | 4         | 731.11                               | 727.70    | 705.79    | 649.87    | 672.76    | 666.21    | 680.24    | 678.15    | 809.89    | 790.69    |
| Woodham Middle School                    | 1964                             | 236,668                       | 1         | 912.63                               | 853.80    | 805.80    | 699.61    | 687.07    | 821.14    | 769.52    | 745.89    | -         | -         |
| Workman Middle School                    | 1962                             | 156,155                       | 2         | 936.43                               | 921.42    | 1,008.49  | 979.62    | 941.48    | 852.49    | 779.94    | 775.98    | 972.82    | 920.37    |
| Total Middle Schools                     |                                  |                               | 41        | 8,523.17                             | 8,303.75  | 8,454.79  | 8,285.29  | 8,120.72  | 8,045.56  | 7,977.89  | 8,136.26  | 8,512.71  | 8,475.12  |

(continued)

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHOOL BUILDING INFORMATION & FULL-TIME EQUIVALENT ENROLLMENT DATA**  
**LAST TEN FISCAL YEARS**  
(Unaudited)

|                                                                                      | Placed in Service <sup>(1)</sup> | Square Footage <sup>(2)</sup> | Portables | Full-Time Equivalent Enrollment Data |           |           |           |           |           |           |           |           |           |
|--------------------------------------------------------------------------------------|----------------------------------|-------------------------------|-----------|--------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|                                                                                      |                                  |                               |           | 2010-11                              | 2011-12   | 2012-13   | 2013-14   | 2014-15   | 2015-16   | 2016-17   | 2017-18   | 2018-19   | 2019-20   |
| High Schools                                                                         |                                  |                               |           |                                      |           |           |           |           |           |           |           |           |           |
| Escambia High School                                                                 | 1958                             | 283,880                       | 6         | 1,811.94                             | 1,786.06  | 1,646.34  | 1,678.82  | 1,707.46  | 1,656.07  | 1,683.17  | 1,750.59  | 1,689.15  | 1,720.18  |
| West Florida High School of Advanced Technology                                      | 1967                             | 338,380                       | 12        | 1,279.41                             | 1,249.58  | 1,245.51  | 1,254.39  | 1,257.06  | 1,260.21  | 1,307.05  | 1,295.79  | 1,275.20  | -         |
| West Florida High School of Advanced Technology <sup>(6)</sup>                       | 1964                             | 236,668                       | 1         | -                                    | -         | -         | -         | -         | -         | -         | -         | -         | 1,228.38  |
| Northview High School                                                                | 1993                             | 148,273                       | 1         | 541.38                               | 540.27    | 535.95    | 495.89    | 481.26    | 487.65    | 476.77    | 458.70    | 467.14    | 496.74    |
| Pensacola High School                                                                | 1949                             | 288,045                       | 5         | 1,607.20                             | 1,611.19  | 1,571.52  | 1,463.15  | 1,419.10  | 1,403.39  | 1,360.71  | 1,401.57  | 1,374.45  | 1,343.70  |
| Pine Forest High School                                                              | 1974                             | 246,196                       | 14        | 1,744.28                             | 1,702.56  | 1,729.23  | 1,646.97  | 1,674.06  | 1,628.62  | 1,582.40  | 1,558.14  | 1,590.58  | 1,589.18  |
| Tate Senior High School                                                              | 1950                             | 318,045                       | 1         | 1,928.49                             | 1,884.06  | 1,969.99  | 1,928.67  | 2,073.34  | 2,144.00  | 2,095.49  | 2,096.45  | 2,100.79  | 2,027.70  |
| Washington High School                                                               | 1976                             | 275,971                       | 7         | 1,591.01                             | 1,609.95  | 1,623.54  | 1,626.17  | 1,711.79  | 1,720.77  | 1,730.68  | 1,736.67  | 1,717.27  | 1,750.61  |
| Total High Schools                                                                   |                                  |                               | 47        | 10,503.71                            | 10,383.67 | 10,322.08 | 10,094.06 | 10,324.07 | 10,300.71 | 10,236.27 | 10,297.91 | 10,214.58 | 10,156.49 |
| Special Centers                                                                      |                                  |                               |           |                                      |           |           |           |           |           |           |           |           |           |
| Judy Andrews Second Chance Center <sup>(4)</sup>                                     | 1954                             | 45,495                        | -         | 52.00                                | 40.51     | 38.76     | 40.72     | 42.99     | 57.09     | 100.11    | 121.18    | 130.32    | -         |
| Success Academy (formerly known as Judy Andrews Second Chance Center) <sup>(7)</sup> | 1967                             | 338,380                       | 12        | -                                    | -         | -         | -         | -         | -         | -         | -         | -         | 191.80    |
| McMillian Learning Center                                                            | 1961                             | 44,979                        | 5         | 84.30                                | 68.15     | 49.14     | 38.95     | 25.51     | 16.96     | 21.84     | 25.82     | 34.58     | -         |
| Teenage Parent PK                                                                    | n/a                              | n/a                           | n/a       | -                                    | -         | -         | -         | -         | 12.33     | 24.00     | 18.00     | 19.00     | 19.56     |
| George Stone Technical Center <sup>(5)</sup>                                         | 1967                             | 219,913                       | 5         | -                                    | -         | -         | -         | -         | 0.31      | -         | -         | -         | -         |
| Escambia Westgate Center                                                             | 1979                             | 104,473                       | 4         | 232.00                               | 246.00    | 238.50    | 242.49    | 228.83    | 228.47    | 231.49    | 208.55    | 195.27    | 187.97    |
| Total Special Centers                                                                |                                  |                               | 26        | 368.30                               | 354.66    | 326.40    | 322.16    | 297.33    | 315.16    | 377.44    | 373.55    | 379.17    | 399.33    |
| Other Programs                                                                       |                                  |                               |           |                                      |           |           |           |           |           |           |           |           |           |
| Camelot                                                                              | n/a                              | n/a                           | n/a       | 182.50                               | 154.00    | 160.00    | 177.75    | 181.05    | 177.80    | 153.30    | 170.13    | 224.02    | 230.63    |
| District Administered Programs                                                       | n/a                              | n/a                           | n/a       | 108.46                               | 102.20    | 90.44     | 92.98     | 100.45    | 82.83     | 70.09     | 85.61     | 84.60     | 87.70     |
| Escambia County Jail                                                                 | n/a                              | n/a                           | n/a       | 2.90                                 | 9.00      | 17.00     | 15.13     | 17.30     | 28.14     | 21.46     | 9.95      | 10.01     | 11.04     |
| Escambia Juvenile Justice Center                                                     | n/a                              | n/a                           | n/a       | 44.50                                | 58.22     | 49.53     | 48.09     | 52.05     | 36.42     | 60.49     | 83.53     | 70.05     | 61.16     |
| Hospital & Homebound                                                                 | n/a                              | n/a                           | n/a       | 9.99                                 | 12.28     | 9.33      | 9.85      | 14.76     | 6.08      | 9.03      | 8.90      | 5.93      | 5.61      |
| Drug and Alcohol Residential Treatment Center (DAART)                                | n/a                              | n/a                           | n/a       | 16.00                                | 18.50     | 16.00     | 16.41     | 12.45     | 12.68     | 13.61     | 11.28     | 2.89      | -         |
| Lakeview Center                                                                      | n/a                              | n/a                           | n/a       | 29.00                                | 29.50     | 28.50     | 26.63     | 24.90     | 43.48     | 46.66     | 38.69     | 41.60     | 39.00     |
| Escambia Boys Base                                                                   | n/a                              | n/a                           | n/a       | 24.50                                | 27.66     | 19.17     | 28.38     | 30.34     | 34.39     | 33.02     | 30.47     | 29.60     | 27.66     |
| Escambia Bay Marine                                                                  | n/a                              | n/a                           | n/a       | 54.00                                | 74.55     | 59.12     | 31.69     | -         | -         | -         | -         | -         | -         |
| PACE Center for Girls                                                                | n/a                              | n/a                           | n/a       | 50.50                                | 66.80     | 63.43     | 62.61     | 72.62     | 69.10     | 73.48     | 65.32     | 71.86     | 72.53     |
| McKay Scholarships                                                                   | n/a                              | n/a                           | n/a       | 235.00                               | 235.00    | 248.50    | 316.71    | 328.86    | 311.35    | 386.00    | 391.00    | 405.00    | 395.50    |
| Family Empowerment Scholarships                                                      | n/a                              | n/a                           | n/a       | -                                    | -         | -         | -         | -         | -         | -         | -         | -         | 396.00    |
| Total Other Programs                                                                 |                                  |                               |           | 757.35                               | 787.71    | 761.02    | 826.23    | 834.78    | 802.27    | 867.14    | 894.88    | 945.56    | 1,326.83  |
| Charter Schools                                                                      |                                  |                               |           |                                      |           |           |           |           |           |           |           |           |           |
| A. A. Dixon Charter School of Excellence                                             | n/a                              | n/a                           | n/a       | 220.30                               | 156.50    | 160.00    | -         | -         | -         | -         | -         | -         | -         |
| Beulah Academy of Science, Inc.                                                      | n/a                              | n/a                           | n/a       | 261.30                               | 282.90    | 282.60    | 288.04    | 286.55    | 289.88    | 286.68    | 286.02    | 290.04    | 293.30    |
| Byrneville Elementary School, Inc.                                                   | n/a                              | n/a                           | n/a       | 161.40                               | 157.10    | 158.80    | 174.10    | 191.63    | 206.72    | 206.50    | 214.49    | 192.57    | 181.54    |
| Capstone Academy Pensacola                                                           | n/a                              | n/a                           | n/a       | 25.93                                | 21.51     | 25.50     | 26.00     | 23.42     | 24.93     | 32.86     | 28.53     | 31.10     | 27.56     |
| Escambia Charter School, Inc.                                                        | n/a                              | n/a                           | n/a       | 107.50                               | 126.50    | 114.00    | 120.03    | 115.26    | 103.73    | 90.62     | 99.07     | -         | -         |
| Jacqueline Harris Preparatory Academy                                                | n/a                              | n/a                           | n/a       | 214.50                               | 188.00    | 174.50    | 197.63    | 179.94    | 209.75    | 203.64    | 232.08    | 233.27    | 218.95    |
| Five Flags Academy                                                                   | n/a                              | n/a                           | n/a       | -                                    | -         | -         | -         | 89.44     | -         | -         | -         | -         | -         |
| Newpoint Academy Middle School                                                       | n/a                              | n/a                           | n/a       | -                                    | 189.10    | 166.80    | 158.33    | 172.87    | -         | -         | -         | -         | -         |
| Newpoint Pensacola High School                                                       | n/a                              | n/a                           | n/a       | -                                    | 81.50     | 91.03     | 113.23    | 109.43    | -         | -         | -         | -         | -         |
| Pensacola Beach Elementary School, Inc.                                              | n/a                              | n/a                           | n/a       | 141.45                               | 135.45    | 138.26    | 135.34    | 138.00    | 139.10    | 150.09    | 136.57    | 143.70    | 140.81    |
| Total Charter Schools                                                                |                                  |                               |           | 1,132.38                             | 1,338.56  | 1,311.49  | 1,212.70  | 1,306.54  | 974.11    | 970.39    | 996.76    | 890.68    | 862.16    |
| Virtual Instruction Programs                                                         | n/a                              | n/a                           | n/a       | -                                    | 199.94    | 241.88    | 282.75    | 172.54    | 403.48    | 524.92    | 444.04    | 438.68    | 397.69    |
| Total District                                                                       |                                  |                               |           | 39,657.75                            | 40,119.02 | 40,340.18 | 40,170.72 | 40,155.69 | 40,109.79 | 39,859.07 | 39,807.09 | 39,619.87 | 39,643.48 |

<sup>(1)</sup> Original date that the school was placed in service. This date does not reflect additions, renovations, replacements or remodeling.

<sup>(2)</sup> Square footage includes portables and modulars in addition to permanent buildings.

<sup>(3)</sup> Brown-Barge moved to the former Brentwood Middle facility in 2007-08.

<sup>(4)</sup> Formerly known as Dixon Educational Center until the 2006-07 fiscal year.

<sup>(5)</sup> George Stone Center houses adult programs that do not typically generate Full Time Enrollment (FTE) except for dual enrollment during 2015-16 school year.

<sup>(6)</sup> Moved to former Woodham Middle School campus.

<sup>(7)</sup> Moved to former West Florida High School of Advanced Technology campus.

Source: District Records

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**NUMBER OF PERSONNEL**  
**LAST TEN FISCAL YEARS**  
(Unaudited)

| <b>Fiscal Year</b> | <b>(A)<br/>Instructional</b> | <b>(B)<br/>Administrative</b> | <b>(C)<br/>Support Services</b> | <b>Total</b> | <b>Ratio of Students (FTE) to Instructional Personnel</b> | <b>Ratio of Instructional Personnel to Administrators</b> |
|--------------------|------------------------------|-------------------------------|---------------------------------|--------------|-----------------------------------------------------------|-----------------------------------------------------------|
| 2019-20            | 3,044                        | 192                           | 2,120                           | 5,356        | 13.02                                                     | 15.85                                                     |
| 2018-19            | 2,963                        | 174                           | 2,041                           | 5,178        | 13.36                                                     | 17.03                                                     |
| 2017-18            | 3,139                        | 181                           | 2,057                           | 5,377        | 12.68                                                     | 17.34                                                     |
| 2016-17            | 3,082                        | 178                           | 2,040                           | 5,300        | 12.95                                                     | 17.31                                                     |
| 2015-16            | 3,097                        | 177                           | 2,053                           | 5,327        | 12.97                                                     | 17.50                                                     |
| 2014-15            | 3,138                        | 173                           | 2,050                           | 5,361        | 12.80                                                     | 18.14                                                     |
| 2013-14            | 3,161                        | 164                           | 1,870                           | 5,195        | 12.71                                                     | 19.27                                                     |
| 2012-13            | 3,083                        | 160                           | 1,938                           | 5,181        | 13.08                                                     | 19.27                                                     |
| 2011-12            | 3,087                        | 160                           | 2,042                           | 5,289        | 13.00                                                     | 19.29                                                     |
| 2010-11            | 3,203                        | 160                           | 1,912                           | 5,275        | 12.38                                                     | 20.02                                                     |

(A) Classroom Teachers, Guidance/Psychologists, Exceptional Education Teachers, Media Specialists, Other Professional Instructional Staff

(B) Principals, Assistant Principals, Superintendent, Assistant Superintendent, Executive Directors, Directors, Managers, Coordinators

(C) Paraprofessional, Bus Drivers, Monitors, Maintenance, Clerical, Etc.

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Sources: District Records, Florida Department of Education Staff Reports

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**TEACHERS' SALARIES**  
**LAST TEN FISCAL YEARS**  
(Unaudited)

| <b>Fiscal Year</b> | <b>Minimum Range<br/>10-Month Salary (a)</b> | <b>Maximum Range<br/>10-Month Salary (a)</b> | <b>Average<br/>Teacher<br/>Salary</b> |
|--------------------|----------------------------------------------|----------------------------------------------|---------------------------------------|
| 2019-20            | \$ 38,000 - \$ 41,600                        | \$ 67,800 - \$ 71,400                        | \$ 44,427                             |
| 2018-19            | 37,800 - 41,400                              | 67,600 - 71,200                              | 44,312                                |
| 2017-18            | 37,000 - 40,600                              | 66,800 - 70,400                              | 43,963                                |
| 2016-17            | 36,810 - 40,410                              | 59,374 - 62,974                              | 47,632                                |
| 2015-16            | 36,446 - 40,046                              | 58,786 - 62,386                              | 45,171                                |
| 2014-15            | 35,872 - 39,472                              | 56,250 - 59,850                              | 44,841                                |
| 2013-14            | 34,152 - 37,752                              | 55,635 - 59,235                              | 44,254                                |
| 2012-13            | 33,482 - 37,082                              | 53,026 - 56,626                              | 42,619                                |
| 2011-12            | 32,825 - 36,425                              | 51,986 - 55,586                              | 41,989                                |
| 2010-11            | 32,825 - 36,425                              | 51,986 - 55,586                              | 41,560                                |

(a) Minimum and maximum salary ranges are based on the educational level of the employee. The starting amount represents a bachelor's degree and the ending amount represents an in-field doctorate degree. Employees may earn additional pay for the following degree levels: in-field masters (\$2,500); out-of-field masters (\$1,700); in-field specialist (\$3,100); out-of-field specialist (\$2,600); in-field doctorate (\$3,600); out-of-field doctorate (\$3,300). Employees may also receive additional compensation for working 11 or 12 months.

Sources: Minimum & Maximum Salaries - District Records; Average Teacher Salaries - Florida Department of Education.

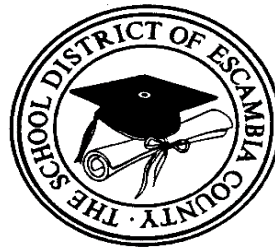
**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**FOOD SERVICE OPERATING DATA**  
**LAST TEN FISCAL YEARS**  
(Unaudited)

|                                                       | Fiscal Year Ending |               |               |               |
|-------------------------------------------------------|--------------------|---------------|---------------|---------------|
|                                                       | June 30, 2011      | June 30, 2012 | June 30, 2013 | June 30, 2014 |
| Days Meals were Served                                | 180                | 180           | 177           | 175           |
| Average Number of Free and Reduced Meals Served Daily | 30,082             | 31,288        | 30,980        | 30,792        |
| Number of Free and Reduced Meals Served               | 5,414,671          | 5,631,896     | 5,483,459     | 5,388,581     |
| Average Daily Subsidy Received                        | \$ 79,942          | \$ 83,309     | \$ 88,638     | \$ 90,802     |
| Total Subsidy Received                                | \$ 14,389,546      | \$ 14,995,628 | \$ 15,688,854 | \$ 15,890,352 |
| Average Number of Meals Served Daily                  | 35,774             | 36,613        | 36,473        | 35,870        |
| Number of Meals Served                                | 6,439,395          | 6,590,289     | 6,455,792     | 6,277,235     |
| Average Daily Revenues                                | \$ 108,906         | \$ 109,692    | \$ 111,500    | \$ 112,721    |
| Total Revenues                                        | \$ 19,603,137      | \$ 19,744,479 | \$ 19,735,430 | \$ 19,726,102 |
| Average Daily Costs                                   | \$ 99,434          | \$ 111,823    | \$ 118,833    | \$ 118,158    |
| Total Costs                                           | \$ 17,898,106      | \$ 20,128,069 | \$ 21,033,403 | \$ 20,677,648 |

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Source: District Records

| Fiscal Year Ending   |                      |                      |                      |                      |                      |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <u>June 30, 2015</u> | <u>June 30, 2016</u> | <u>June 30, 2017</u> | <u>June 30, 2018</u> | <u>June 30, 2019</u> | <u>June 30, 2020</u> |
| 180                  | 180                  | 179                  | 175                  | 176                  | 141                  |
| 30,809               | 32,567               | 31,442               | 35,153               | 33,956               | 31,412               |
| 5,545,625            | 5,862,052            | 5,628,083            | 6,151,817            | 5,976,306            | 4,429,119            |
| \$ 1,580             | \$ 90,295            | \$ 89,222            | \$ 101,975           | \$ 101,304           | \$ 97,309            |
| \$ 284,424           | \$ 16,253,037        | \$ 15,970,789        | \$ 17,845,684        | \$ 17,829,460        | \$ 13,720,503        |
| 35,751               | 35,875               | 34,462               | 36,814               | 35,737               | 33,824               |
| 6,435,127            | 6,457,472            | 6,168,739            | 6,442,413            | 6,289,726            | 4,769,214            |
| \$ 110,961           | \$ 116,613           | \$ 113,276           | \$ 126,738           | \$ 123,659           | \$ 133,313           |
| \$ 19,973,056        | \$ 20,990,375        | \$ 20,276,400        | \$ 22,179,211        | \$ 21,763,939        | \$ 18,797,160        |
| \$ 112,483           | \$ 111,525           | \$ 117,249           | \$ 120,478           | \$ 120,837           | \$ 139,061           |
| \$ 20,246,983        | \$ 20,074,488        | \$ 20,987,576        | \$ 21,083,616        | \$ 21,267,297        | \$ 19,607,647        |



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# SINGLE AUDIT

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
*For the Fiscal Year Ended June 30, 2020*

| <b>Federal Grantor /Pass-Through Grantor/Program Title</b>                               | <b>Catalog of Federal<br/>Domestic Assistance<br/>Number</b> | <b>Pass-Through<br/>Grantor Number</b> | <b>Amount of<br/>Expenditures<br/>(1)</b> |
|------------------------------------------------------------------------------------------|--------------------------------------------------------------|----------------------------------------|-------------------------------------------|
| <b>United States Department of Agriculture:</b>                                          |                                                              |                                        |                                           |
| Indirect:                                                                                |                                                              |                                        |                                           |
| Child Nutrition Cluster:                                                                 |                                                              |                                        |                                           |
| Florida Department of Agriculture and Consumer Services:                                 |                                                              |                                        |                                           |
| School Breakfast Program                                                                 | 10.553                                                       | 20002                                  | \$ 3,441,053                              |
| National School Lunch Program                                                            | 10.555                                                       | 20001                                  | 12,043,460                                |
| Summer Food Service Program for Children                                                 | 10.559                                                       | 20006                                  | 1,261,350                                 |
| <b>Total Child Nutrition Cluster</b>                                                     |                                                              |                                        | <b>16,745,863</b>                         |
| Child and Adult Care Food Program                                                        | 10.558                                                       | 5033                                   | 21,688                                    |
| <b>Total United States Department of Agriculture</b>                                     |                                                              |                                        | <b>16,767,551</b>                         |
| <b>United States Department of Defense:</b>                                              |                                                              |                                        |                                           |
| Direct:                                                                                  |                                                              |                                        |                                           |
| Army Junior Reserve Officers Training Corps                                              | 12.UNK                                                       | N/A                                    | 76,759                                    |
| Air Force Junior Reserve Officers Training Corps                                         | 12.UNK                                                       | N/A                                    | 60,386                                    |
| Navy Junior Reserve Officers Training Corps                                              | 12.UNK                                                       | N/A                                    | 369,020                                   |
| Competitive Grants: Promoting K-12 Student Achievement at Military-<br>Connected Schools | 12.556                                                       | N/A                                    | 641,574                                   |
| <b>Total United States Department of Defense</b>                                         |                                                              |                                        | <b>1,147,739</b>                          |
| <b>United States Department of Labor:</b>                                                |                                                              |                                        |                                           |
| Indirect:                                                                                |                                                              |                                        |                                           |
| WIOA Cluster:                                                                            |                                                              |                                        |                                           |
| Workforce Escarosa, Inc.:                                                                |                                                              |                                        |                                           |
| WIOA Youth Activities                                                                    | 17.259                                                       | 2019-2020-03                           | 231,858                                   |
| <b>Total United States Department of Labor</b>                                           |                                                              |                                        | <b>231,858</b>                            |
| <b>United States Department of Education:</b>                                            |                                                              |                                        |                                           |
| Direct:                                                                                  |                                                              |                                        |                                           |
| Student Financial Assistance Cluster:                                                    |                                                              |                                        |                                           |
| Federal Pell Grant Program                                                               | 84.063                                                       | N/A                                    | 996,188                                   |
| Impact Aid                                                                               | 84.041                                                       | N/A                                    | 416,889                                   |
| Higher Education Emergency Relief Fund                                                   | 84.425 E                                                     | N/A                                    | 223,467                                   |
| <b>Total Direct</b>                                                                      |                                                              |                                        | <b>1,636,544</b>                          |
| Indirect:                                                                                |                                                              |                                        |                                           |
| Special Education Cluster:                                                               |                                                              |                                        |                                           |
| Florida Department of Education:                                                         |                                                              |                                        |                                           |
| Special Education - Grants to States                                                     | 84.027                                                       | 262, 263                               | 11,389,986                                |
| Special Education - Preschool Grants                                                     | 84.173                                                       | 266, 267                               | 220,691                                   |
| <b>Total Special Education Cluster</b>                                                   |                                                              |                                        | <b>11,610,677</b>                         |

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Fiscal Year Ended June 30, 2020**

| <b>Federal Grantor /Pass-Through Grantor/Program Title</b>                                     | <b>Catalog of Federal Domestic Assistance Number</b> | <b>Pass-Through Grantor Number</b> | <b>Amount of Expenditures (1)</b> |
|------------------------------------------------------------------------------------------------|------------------------------------------------------|------------------------------------|-----------------------------------|
| Florida Department of Education:                                                               |                                                      |                                    |                                   |
| Adult Education - Basic Grants to States                                                       | 84.002                                               | 191                                | 113,350                           |
| Title I Grants to Local Educational Agencies                                                   | 84.010                                               | 212, 223, 226                      | 16,495,428                        |
| Migrant Education - State Grant Program                                                        | 84.011                                               | 217                                | 209,769                           |
| Student Support and Academic Enrichment Grant                                                  | 84.424                                               | 241                                | 797,154                           |
| Career and Technical Education - Basic Grants to States                                        | 84.048                                               | 161                                | 571,424                           |
| Education for Homeless Children and Youth                                                      | 84.196                                               | 127                                | 80,129                            |
| English Language Acquisition Grants                                                            | 84.365                                               | 102                                | 69,646                            |
| Supporting Effective Instruction State Grants                                                  | 84.367                                               | 224                                | 1,347,091                         |
| Education Stabilization Fund - Coronavirus Aid, Relief, and Economic Security Act (CARES Act): |                                                      |                                    |                                   |
| Governor's Emergency Education Relief Fund                                                     | 84.425 C                                             | 123                                | 31,757                            |
| Elementary and Secondary Emergency Relief Fund                                                 | 84.425 D                                             | 124                                | 294,222                           |
| <b>Total Florida Department of Education</b>                                                   |                                                      |                                    | <b>20,009,970</b>                 |
| <b>Total Indirect</b>                                                                          |                                                      |                                    | <b>31,620,647</b>                 |
| <b>Total United States Department of Education</b>                                             |                                                      |                                    | <b>33,257,191</b>                 |
| <b>United States Department of Health and Human Services:</b>                                  |                                                      |                                    |                                   |
| Indirect:                                                                                      |                                                      |                                    |                                   |
| Community Action Community - Head Start:                                                       |                                                      |                                    |                                   |
| Head Start                                                                                     | 93.600                                               | None                               | 667,043                           |
| <b>Total United States Department of Health and Human Services</b>                             |                                                      |                                    | <b>667,043</b>                    |
| <b>Total Expenditures of Federal Awards</b>                                                    |                                                      |                                    | <b>\$ 52,071,382</b>              |

Notes:

(1) Basis of Presentation

The accompanying Schedule of Federal Awards (Schedule) includes the Federal award activity of the Escambia County District School Board under programs of the Federal government for the fiscal year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present financial position, changes in net position, or cash flows of the District.

(2) Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) Indirect Cost Rate

The District has not elected to use the 10 percent de minimis cost rate allowed under the Uniform Guidance.

(4) Noncash Assistance: National School Lunch Program

Includes \$1,785,699 of donated food received during the fiscal year. Donated foods are recorded at fair value as determined at the time of donation.

(5) Impact Aid

Expenditures are related to grant numbers/programs as follows: 19-FL-2019-0001 (\$41,530), 19-FL-2020-0001 (\$375,359).



Sherrill F. Norman, CPA  
Auditor General

# AUDITOR GENERAL STATE OF FLORIDA

Claude Denson Pepper Building, Suite G74  
111 West Madison Street  
Tallahassee, Florida 32399-1450



Phone: (850) 412-2722  
Fax: (850) 488-6975

The President of the Senate, the Speaker of the  
House of Representatives, and the  
Legislative Auditing Committee

## **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Escambia County District School Board as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 14, 2020, included under the heading **INDEPENDENT AUDITOR'S REPORT**. Our report includes a reference to other auditors who audited the financial statements of the employee benefit trust fund, a blended component unit, and the aggregate discretely presented component units, as described in our report on the District's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a

combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



Sherrill F. Norman, CPA  
Tallahassee, Florida  
December 14, 2020  
Audit Report No. 2021-079



Sherrill F. Norman, CPA  
Auditor General

# AUDITOR GENERAL STATE OF FLORIDA

Claude Denson Pepper Building, Suite G74  
111 West Madison Street  
Tallahassee, Florida 32399-1450



Phone: (850) 412-2722  
Fax: (850) 488-6975

The President of the Senate, the Speaker of the  
House of Representatives, and the  
Legislative Auditing Committee

## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

### **Report on Compliance for the Major Federal Program**

We have audited the Escambia County District School Board's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the District's major Federal program for the fiscal year ended June 30, 2020. The District's major Federal program is identified in **SECTION I – SUMMARY OF AUDITOR'S RESULTS** of the accompanying **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**.

### ***Management's Responsibility***

Management is responsible for compliance with Federal statutes, regulations, and the terms and conditions of its Federal awards applicable to its Federal programs.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for the District's major Federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major Federal program. However, our audit does not provide a legal determination of the District's compliance.

### ***Opinion on the Major Federal Program***

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major Federal program for the fiscal year ended June 30, 2020.

### **Report on Internal Control Over Compliance**

District management is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on the major Federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major Federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

A handwritten signature in blue ink that reads "Sherrill F. Norman". The signature is fluid and cursive, with the first name "Sherrill" and last name "Norman" clearly legible, and "F." as a middle initial.

Sherrill F. Norman, CPA  
Tallahassee, Florida  
December 14, 2020  
Audit Report No. 2021-079

## **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

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### **SECTION I – SUMMARY OF AUDITOR'S RESULTS**

#### **Financial Statements**

|                                                                                                                    |               |
|--------------------------------------------------------------------------------------------------------------------|---------------|
| Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP: | Unmodified    |
| Internal control over financial reporting:                                                                         |               |
| Material weakness(es) identified?                                                                                  | No            |
| Significant deficiency(ies) identified?                                                                            | None reported |
| Noncompliance material to financial statements noted?                                                              | No            |

#### **Federal Awards**

|                                                                                                    |                                                                |
|----------------------------------------------------------------------------------------------------|----------------------------------------------------------------|
| Internal control over the major Federal program:                                                   |                                                                |
| Material weakness(es) identified?                                                                  | No                                                             |
| Significant deficiency(ies) identified?                                                            | None reported                                                  |
| Type of auditor's report issued on compliance for the major Federal program:                       | Unmodified                                                     |
| Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | No                                                             |
| Identification of the major Federal program:                                                       |                                                                |
| CFDA Numbers:<br>10.553, 10.555, and 10.559                                                        | Name of Federal Program or Cluster:<br>Child Nutrition Cluster |
| Dollar threshold used to distinguish between type A and type B programs:                           | \$1,562,141                                                    |
| Auditee qualified as low risk auditee?                                                             | Yes                                                            |

### **SECTION II – FINANCIAL STATEMENT FINDINGS**

No matters are reported.

### **SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

No matters are reported.

## ***PRIOR AUDIT FOLLOW-UP***

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There were no prior financial statement or Federal award findings requiring follow-up.

## ***SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS***

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The District did not have prior audit findings required to be reported under 2 CFR 200.511.